



JUSTIFICATION AND APPROVAL FOR OTHER THAN FULL AND OPEN COMPETITION

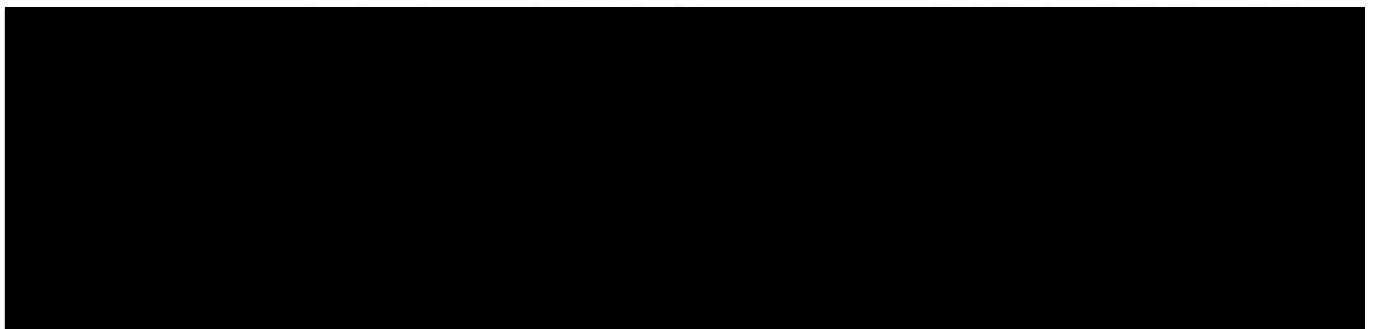
1. AGENCY AND CONTRACTING ACTIVITY:

The U.S Department of Veterans Affairs (VA)
Office of Small Disadvantaged Business Utilization (OSDBU)
Strategic Acquisition Center - Fredrick (SAC-F)
321 Ballenger Center Dr., Suite 125
Fredrick, MD 21703

2. NATURE AND/OR DESCRIPTION OF THE ACTION BEING APPROVED:

The proposed action is a firm-fixed price modification to existing contract VA798-11-P-0114, awarded to Valador, Inc. The current value of this contract, including base and all options, is [REDACTED]. The modification will clarify current responsibilities and update the Performance Work Statement (PWS) to reflect a change from migration support from Vendor Information Pages (VIP) to a new platform; to VIP active system support. This includes deletion of tasks that are not required and expanding tasks where a greater level of service is required. The estimated value of the modification is [REDACTED]. The estimated period of performance is from September 10, 2014 through August 29, 2015.

3. DESCRIPTION OF SUPPLIES OR SERVICES REQUIRED (INCLUDING THE ESTIMATED VALUE):



The VA Office of Information Technology (OIT) identified critical security vulnerabilities in the VIP system. A Temporary Authority to Operate (TATO) was issued to allow continuation through September 27, 2014, allowing time to correct security issues. In order to avoid a system shut-down, the Office of Small and Disadvantaged Business Utilization (OSDBU), Center for Veterans Enterprise (CVE) (hereafter referred to as the Requesting Service) must repair the security issues. The VIP system will be shut-down on September 28 without appropriate updates.

In order to complete the VIP critical security vulnerability repair, the following is required:

- Modify and load balance the Vendor Information Pages (VIP) and Veterans Case Management System (VCMS) SQL databases,
- Provide WebOps with server configuration support,
- Provide Operations & Maintenance (O&M), and
- Provide developer training on VA mandated security tools.

The VIP is utilized by more than 85,566 internal and external users. It is a central repository supporting procurement officials' responsibility determinations for offerors claiming Veteran Owned Small Business (VOSB) or Service Disabled Veteran Owned Small Business (SDVOSB) status. The Requesting Service coordinates numerous tasks, using VIP, mandated by Federal statutes. These include investigation and adjudication of applicants to verify their eligibility to determine either VOSB or SDVOSB socioeconomic status. The required security upgrades will ensure the Requesting Service can continue operations without suffering a core mission failure.

VIP/ is one of the VA's top public web portals with access to PII and other sensitive information. The database size, the user base, and the complexity of the system have increased dramatically since 2011 from 1 GB to nearly 1.5 Terabytes. To keep up with the current size and newly expected growth, additional measure must be taken to reconfigure the database structure to load balance and ensure optimal performance.

At present, the Requesting Service is under continued reliance on its legacy VIP system in order to sustain mission capabilities. However, as outlined above, this system is operating only under a TATO that expires on September 27, 2014. If security issues are not addressed by September 27, 2014, the VetBiz system will have to be de-commissioned and all services will stop.

4. STATUTORY AUTHORITY:

This action is permitted in accordance with (IAW) statutory authority 41 U.S.C. 3304 (a)(1) as implemented by the Federal Acquisition Regulations (FAR) 6.302-1 entitled, "Only One Responsible Source and No Other Supplies or Services will Satisfy Agency Requirements."

5. RATIONALE SUPPORTING USE OF THE AUTHORITY CITED ABOVE:

In accordance with FAR 6.302-1(a)(2), the cited authority is required when there is only one responsible source that can satisfy the Agency's need and provide the required services.

Valador developed, implemented, and currently maintains the VIP/VCMS system, and is best suited for meeting this immediate need. The VIP/VCMS software code and relational database is highly customized to meet the VA's unique set of requirements. Valador is the only vendor who has worked with the system and has the skills necessary to complete the work in the short time available before VIP is decommissioned.

On September 12, 2013, a contract was awarded to create Veterans Enterprise Management System (VEMS) to succeed VIP. In order to create the new system, it was necessary for the awardee to learn and understand VIP. It took the VEMS contractor more than six months to learn the system before they could begin development. As outlined above, VIP will be

decommissioned as of September 28, 2014 if security vulnerabilities are not resolved. There is not time to allot this amount of time to a learning curve.

Valador already possesses the knowledge required to make necessary changes in the most expeditious manner, avoiding any break in coverage. In addition, Valador is already staffed and that staff is familiar with VIP and can begin necessary updates immediately. There will be no need for hiring or training since Valador is already performing the required services. There is no other vendor who has staff trained and prepared to begin services immediately, with the requisite system knowledge, to ensure no interruption to services.

The results of inability to correct security vulnerabilities and subsequent VIP decommission will have a severe impact on the contracting community as well as veteran-owned businesses. A delay in implementing changes that result in VIP being decommissioned will have the following impacts.

- VA will not be in compliance with 38 U.S.C 8127(f) that mandates the Secretary maintain a database of small business concerns owned and controlled by veterans and the veteran owners of such business concerns.
- CVE verification would come to a halt. OSD/BU/CVE would not be able to process verification applications, support small business outreach efforts, or the VA contracting community.
- VA's ability to meet its small business goals would be adversely impacted.
- Acquisition workforce would not be able to verify veteran status as required by statute in the award of SDVOSB/VOSB sole-source contracts or Veteran set-asides during a critical time in the Fiscal Year 2014 and moving forward into Fiscal Year 2015.
- All pending approvals for potential SDVOSB/VOSB businesses will be suspended.

There is no other system that can be substituted for VIP; it is the only developed system that can support all required actions.

This modification is predicated on a need that stems from contractor failure to perform under the successor contract for the development of Veterans Enterprise Management System (VEMS). The VIP/VCMS system services provided under contract no. VA798-11-P-0114 was to be replaced by VEMS system that was scheduled to be fully operational by June 2014. As a result of the contractor failure to perform the VIP/VCMS system is now required to operate longer than anticipated.

6. EFFORTS TO ENSURE OFFERS ARE SOLICITED FROM AS MANY POTENTIAL SOURCES AS PRACTICABLE:

The proposed action will be synopsisized on the Federal Business Opportunities Page in accordance with FAR 5.2.

7. FAIR & REASONABLE PRICE/COST DETERMINATION:

The anticipated cost to the Government will be deemed fair and reasonable through application of appropriate price analysis techniques and procedures IAW FAR 15.404-1(b)(2).

8. DESCRIPTION OF MARKET RESEARCH:

An award was made for creation of a successor contract that required full knowledge of the current VIP system before the creation of the new system could begin. The contract was awarded competitively to the vendor who presented the best value to the Government. The awardee took more than six months to learn the system. It is determined that it would take any other vendor at least this amount of time to learn the system therefore; no additional market research was pursued.

9. OTHER SUPPORTING FACTORS:

None.

10. SOURCES HAVING EXPRESSED, IN WRITING, THEIR INTEREST:

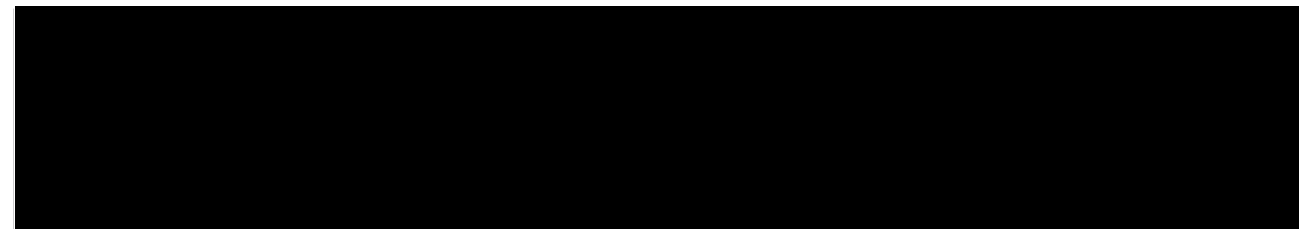
See ¶ 6 above.

11. ACTIONS NECESSARY TO OVERCOME ANY BARRIERS TO COMPETITION:

See ¶ 6 and 8 above. Additionally, on future acquisitions of the same or similar requirements, the Requesting Service shall engage the Contracting Activity at the earliest stages of acquisition planning IAW FAR 7.102(a)(2) to obtain competition to the maximum extent practicable. The specific barriers identified in this justification will be overcome on future procurements in that; this award will be issued on a dual path with full and open competition re-procurement efforts of a successor system. Based on current conditions, a procurement acquisition lead-time (PALT) of between 12 to 15 months is anticipated.

12. TECHNICAL 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.



13. 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.

