

JUSTIFICATION AND APPROVAL FOR LIMITING SOURCES

1. AGENCY AND CONTRACTING ACTIVITY:

The Department of Veterans Affairs (VA)
Office of Acquisition Operations (OAO)
Strategic Acquisition Center (SAC) Frederick,
321 Ballenger Center Drive, Suite 125
Frederick, MD 21703

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

The proposed action is a 12 month, firm-fixed price task order to provide Dun & Bradstreet, Inc. (DNB) subscription reports. This effort is being conducted in accordance with the Multiple Award Schedule (MAS) program; the proposed effort will be awarded under the General Service Administration (GSA)/Federal Supply Schedule (FSS) Financial and Business Solutions Schedule 520 and special item number (SIN) 520-15, GS-22F-9614D to DNB, 4350 North Fairfax Drive, Suite 650, Arlington, VA 22203.

In accordance with Federal Acquisition Regulation (FAR) [8.405-6\(c\)\(2\)\(ii\)](#) a justification is presented for limiting sources citing only one source is capable of providing the services required at the level of quality required because the services are unique. The award is anticipated to be of a firm-fixed price type and conducted in accordance with the Multiple Award Schedule (MAS) program under FINANCIAL AND BUSINESS SOLUTIONS (FABS) schedule 520 and special item number (SIN) 520-16.

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

The Office of Small and Disadvantaged Business Utilization (OSDBU) Center for Verification and Evaluation (CVE) (hereafter referred to as the Requesting Service) provides numerous outreach services for Veterans and service-disabled Veterans who seek to open or expand a business. OSDBU is the verification authority, as designated by statute 38 U.S. Code 8127(f) entitled "Database of Veteran-Owned Businesses," with responsibility for investigating and adjudicating the background of applicants to determine their eligibility as a Service-Disabled Veteran-Owned Small Business (SDVOSB) or a Veteran-Owned Small Business (VOSB).

OSDBU must verify that any company claiming Veteran owned status is actually owned and controlled by Veterans. In accordance with 38 U.S. Code 8127(f)(5), OSDBU is responsible for maintaining a database and the database shall be made available to all Federal departments. In addition, VA contracting offices must ensure, prior to award of any contract, that all companies bidding for VOSB or SDVOSB set-asides are listed in VA's database of verified contractors. The database is known as Vendor Information Pages

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(VIP) and is a component of the current VetBiz Case Management System (VCMS) which is the phase where the actual verification process is conducted by CVE. The VIP/VCMS collects and displays information on all known small businesses that have been verified as SDVOSBs or VOSBs.

This process uses the Data Universal Numbering System (DUNS) to uniquely identify and link records across acquisition and financial management systems, uncover ownership relationships among companies and can enable the VA to have the most complete and accurate view of an entity.

Such robust company data provides predictive multi-dimensional risk scores to allow insights not only into supplier financial and operational stability, but the authoritativeness of data on which that score is generated. Additionally, aggregate data on federal awards; as made available through all Federal, State and Local government sources is essential. This data provides specific details about business relationships the company may have the Federal government including Federal Employer Identification Number (FEIN), contracts, grants, loans, and debts owed to the Federal Government. Lastly, in order to aid in this effort, OSDBU requires assurance that the data is complete, accurate and the most current in order to ensure a comprehensive quality assurance process.

VA had access to DNB reports that provided all the necessary information until the contract expired on June 30, 2014. A six month sole source contract was awarded to DNB on September 29, 2014 for \$575,520.00. OSDBU has identified a need for continued subscription to access DNB reports, in order to produce the capabilities required to fulfill its mission needs. Access to these reports will ensure OSDBU can continue operations without suffering a core mission failure. [REDACTED]

4. STATUTORY AUTHORITY AND RATIONALE SUPPORTING USE OF THE AUTHORITY CITED:

In accordance with statutory authority 40 U.S.C. § 501(b)(2)(A) "Services for Executive Agencies" which grants direct acquisition authority under the MAS Program and as prescribed in FAR 8.405-6(a)(1)(i)(B) "[o]nly one source is capable of providing the services required at the level of quality required because the services are unique," the requested actions are legally authorized and permissible.

Use of the cited authority is required in the case of a unique deliverable, available from DNB (hereafter referred to as the Original Source), that if awarded to any other source would result in:

a. An inability to fulfill the agency's requirements considering a contract for annual subscription to financial reports recently awarded to a successor contractor, limits available agency reports to only one comprehensive report. This particular report is well suited for servicing the minimal needs of the procurement community, with regard to determining the potential solvency of a company. However, for purposes of verifying the businesses' executive structures as being owned and controlled by a Veteran, along with other robust

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analytics used to aid in determining the overall composition of a firm; the single comprehensive report provided by the successor contractor is insufficient.

b. One critical element required of the CVE process is the ability to link verified vendors to their Data Universal Numbering System (D.U.N.S.) number within the VIP portal. The D.U.N.S. number has been and continues to be the U.S. Government standard for company identification and is integrally linked in Federal Procurement Policy (e.g. FAR Clause 52.204-6, 52.204-7, 52.212-1, etc.). The successor contract utilizes a company identification system which relies on CAGE Code or its own proprietary number scheme and does not have access to the DUNS information as that is proprietary to DNB. The Enterprise Acquisition Systems (EAS) Service confirmed on July 14, 2014, in response to an inquiry from the Veterans Health Administration (VHA) Procurement Policy Office (10NA2), that there is no integration anticipated to allow D.U.N.S. numbers to be generated from any source other than the Original Source. At present the Requesting Service is under continued reliance of this and other DNB data elements needed to ensure continuous monitoring, fraud reduction, risk mitigation and accurate contractor adjudications in order to sustain mission capabilities.

c. The Original Source possesses financial reporting capabilities unique to the requisite verification process, to either solicit for award and subsequent integration of a new competitive solution, modify the current successor and VIP portal; would be impractical from both a technical and fiduciary standpoint and could not meet critical mission requirements under the current circumstances.

5. DETERMINATION THAT THE ORDER REPRESENTS BEST VALUE CONSISTENT WITH FAIR & REASONABLE PRICING:

In accordance with FAR 8.404(d), GSA has already determined prices of supplies and services offered at fixed-prices, as well as services offered at hourly rates, under schedule contracts to be fair and reasonable. The procured services are reports from DNB, as outlined in its GSA schedule, with fixed prices. Therefore, ordering activities are not required to make a separate determination. A discount off published pricing will be pursued.

6. DESCRIPTION OF MARKET RESEARCH CONDUCTED:

In accordance with FAR [Part 10](#), market research conducted by the OSDDBU Requesting Service utilizing current verification process requirements when compared to the successor contracts deliverable offering revealed that CVE mission demands could not be met under the successor contract. A review of the successor contractor and commercially available products revealed that no other sources have DNB patented database.

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7. OTHER SUPPORTING FACTORS:

The successor contract, awarded to Experian, was awarded under the assumption that the only personnel utilizing these reports are those individuals in the procurement community and for the sole purpose of determining contractor responsibility in accordance with FAR 9.104-1(a),(e) and (f). For this reason CVE's needs cannot be met by that contract.

Within 14 days after placing an order, a notification of contract action will be placed in accordance with FAR 5.301; and a limited source justification will be posted as required per FAR 8.405-6.

8. ACTIONS NECESSARY TO OVERCOME ANY BARRIERS TO COMPETITION:

CVE has recently requested and reviewed all commercially available reports from the successor contractor to do a deeper analysis of what might be available from another vendor. This analysis revealed that no other source has DNB patented information or databases. Additionally, future acquisitions of the same or similar requirements, the Requesting Service shall engage with the Contracting Activity at the earliest stages of acquisition planning in accordance with FAR 7.102(a)(2) to obtain competition to the maximum extent practicable and be provided the opportunity to communicate our unique requirement for inclusion in future solicitations.

9. TECHNICAL REQUIREMENTS CERTIFICATION:

In accordance with FAR [8.405-6](#)(c)(2)(x), all supporting data that is the responsibility of technical or requirements personnel (e.g., verifying the Government's minimum needs or schedule requirements or other rationale for other than full and open competition) which form a basis for the justification have been certified as complete and accurate by the technical or requirements personnel.

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.

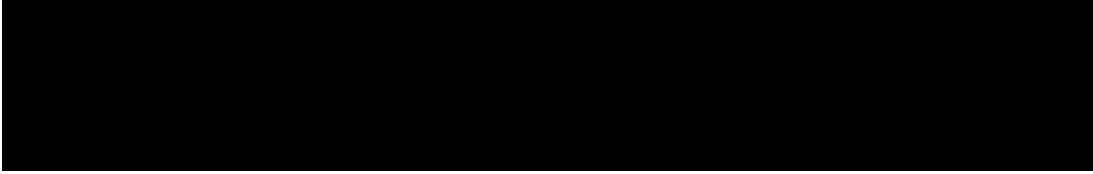
10. ORDERING ACTIVITY CONTRACTING OFFICER CERTIFICATION:

a. I certify in accordance with FAR [8.405-6](#)(c)(2)(ix), that the justification is accurate and complete to the best of my knowledge and belief.

b. In accordance with FAR [8.405-6](#)(d)(1), in my role as Contracting Officer for "Justification approvals not exceeding \$650,000", based on the foregoing justification, I hereby approve the acquisition of financial reporting services, pursuant to the authority

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cited in ¶ 4 above, subject to availability of funds, and provided that the services herein described have otherwise been authorized for acquisition.



11. REFERENCES:

FAR [3.104](#) "Procurement Integrity"
FAR [5.203](#)(b) "Publicizing and Response Time"
FAR [7.102](#)(a)(2) "Acquisition Plans"
FAR [Part 8](#) and [Part 10](#)
FAR [8.405-6](#) "Limiting Sources"
FAR [9.104-1](#)(a),(e) and (f) "General Standards"
TITLE 40 – Appendix [40 U.S.C. § 501\(b\)\(2\)\(A\)](#) "Services for Executive Agencies"



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ATTACHMENT

SIDE BY SIDE REPORT SUITABILITY COMPARISON

Data Elements	DNBi	Experian Premier Profile
1. D-U-N-S Number:	Yes	No
2. Bus Address:	Yes	Yes
3. Phone Number:	Yes	Yes
4. Website:	No	Yes
5. Employees:	Yes	Yes
6. SIC Codes:	Yes	Yes
7. NAICS:	Yes	Yes
8. Economic Diversity:	Yes (Under Gov't activity)	Yes (Women owned, Minority Owned etc.)
9. Business History:	Yes	No
10. Officers:	Yes (Key personnel)	No
11. Directors:	Yes (Key personnel)	No
12. Business Registration:	Yes (SOS confirmation)	No
13. Operations Data:	Yes (Employees/facilities info)	No
14. Special Events:	Yes (Change in officers/name)	No
15. Gov't Activity:	Yes	Yes
16. Family Tree:	Yes (Incl. DUNS Number)	Yes (Corporate Linkage, no DUNS number)
17. Gov't Contracts:	Yes (Incl. contract number)	No
18. Financial Statements:	Yes (Gross, cost of goods sold)	No
19. Accountant Statement:	Yes (FY or CY)	No
20. EPLS:	Yes	Yes
21. Debts to Fed Agencies:	Yes	Yes

Suitability Comparison Synopsis:

The information above was extracted from both reports and indicates the relevant information contained in both. Additionally, some of the very essential data elements are addressed here for further clarification.

Required data elements 9 thru 14, contain information regarding the executive officers, percentage of ownership, and Secretary of State (SOS) filing information; which is used to