



DEPARTMENT OF VETERANS AFFAIRS
Office of Acquisition Operations
Strategic Acquisition Center - Frederick
321 Ballenger Center Drive, Suite 125

Justification for an Exception to Fair Opportunity

FAR 16.505(b)(2)(i)(C) – Logical Follow-on

(1) Identification of the agency and the contracting activity.

This Justification for an Exception to Fair Opportunity is executed by the Strategic Acquisition Center - Frederick (SAC-F), Frederick, Maryland, on behalf of the Department of Veterans Affairs (VA), Debt Management Center (DMC), located in St. Paul, MN.

(2) Nature and/or description of the action being approved.

This activity proposes to issue a sole-source task order against the Tactical Project Management Support Services (TPMSS) multiple-award Indefinite Delivery, Indefinite Quantity (IDIQ) contract. The proposed contractor is Interactive Process Technology, LLC (IPT). IPT is presently performing the service under task order VA798-12-J-0322 against contract VA798-11-D-0121.

The sole-source task order is for the continued performance of project management support services for a period of six months beginning June 3, 2015 through December 2, 2015.

(3) A description of the supplies or services required to meet the agency's needs (including the estimated value).

The DMC provides distinctive, high quality accounts receivable services through a compassionate and value-added approach, empowering its stakeholders to focus on core missions.

This task order will provide on-site project management support services for the DMC Standard Operating Procedure (SOP) re-write project. This effort relates to Task 2.2 "CARS/CAROLS As-Is Business Requirements" and Task 2.3 "Requirements Elicitation Documentation (Minutes and Analysis)" of the base contract.

The estimated value for this task order is \$261,772.80.

(4) An identification of the exception to fair opportunity (see 16.505(b)(2)) and the supporting rationale, including a demonstration that the proposed contractor's unique qualifications or the nature of the acquisition requires use of the exception cited. If the contracting officer uses the logical follow-on exception, the rationale shall describe why the relationship between the initial order and the follow-on is logical (e.g., in terms of scope, period of performance, or value).



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The statutory authority permitting an exception to fair opportunity is Section 41 U.S.C. 4106(c)(3) as implemented by the Federal Acquisition Regulation (FAR) 16.505(b)(2)(i)(C), entitled "*The order must be issued on a sole-source basis in the interest of economy and efficiency because it is a logical follow-on to an order already issued under the contract, provided that all awardees were given a fair opportunity to be considered for the original order*".

The current task order for project management support was awarded to IPT on November 15, 2012. A competitive solicitation was issued utilizing the TPMSS contract. The solicitation was issued for competition amongst all five IDIQ contract holders—Associated Veterans, Evoke Research and Consulting, IPT Associates, Offspring solutions, and Pathfinder Consultants on July 25, 2012. A total of four proposals were received. IPT was awarded the task order after the contracting officer determined its offer represented the best value to the Government.

The contractor has completed a thorough analysis of DMC's existing SOPs. In order to document the "as-is" system, the contractor spent thousands of hours interviewing business process managers, supervisors, and clerical staff. DMC wishes to leverage the detailed knowledge gained over the past two years and have the contractor continue documenting and updating these SOPs which will enhance DMC's Quality Control/Assurance and Production processes. There were initially some areas which lacked SOPs, but they were later published with the help of research gathered by the contractor.

The success of DMC's modernization effort is dependent on accurately capturing and documenting existing processes/requirements. Trying to establish viable "to-be" capabilities would be fruitless if the current "as-is" processes are not uniformly and completely identified. The primary focus of this follow-on will be to transition knowledge gathered during the contract to DMC's new Deputy Director of Operations who will assume responsibility for this knowledge area and determine future support needs.

(5) A determination by the Contracting Officer that the anticipated cost to the Government will be fair and reasonable.

The labor rates are identical to the final performance period under task order VA798-12-J-0322, which were determined fair and reasonable at time of award. Therefore, the total price for this sole source task order is fair and reasonable.

(6) Any other facts supporting the justification.

Market research was conducted by the program office, and although there may be other vendors that could perform the tasks in the PWS; IPT is the only company capable to



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perform these services within the timeframe necessary. The timing required to allow a non-incumbent contractor to staff the appropriate skilled and cleared resources would cause a break in services and would result in a substantial duplication of costs to the government not expected to be recovered through competition. IPT is currently performing and can continue to effectively perform services for DMC.

Proceeding with a logical follow-on to IPT offers minimal risk for achievement of the requirements, and no steep learning curve, which would occur if awarded to another vendor. Additionally, DMC is looking at this contract as a bridge contract so they can define their future needs.

IPT is a responsible source with respect to this contracting opportunity. It is registered and verified in System for Award Management (SAM) with the North American Industry Classification System (NAICS) code for this requirement.

In accordance with FAR 5.301 and 16.505(b)(2), this award will be synopsisized at award on the Federal Business Opportunities website (FBO) and the justification will be made publicly available.

(7) A statement of the actions, if any, the agency may take to remove or overcome any barriers that led to the exception to fair opportunity before any subsequent acquisition for the supplies or services is made.

This extension is needed to allow the new DMC Deputy Director of Operations to take over management of this area and establish an organizational level process improvement program to ensure DMC can fully utilize the work in progress and completed by IPT. The administration and oversight of the contract has been moved to the Operations Directorate and they will be working to establish requirements for a contract to support continuous process improvement for the future. The selection of a new Deputy Director for Operations took longer than anticipated which is why DMC is requesting the follow-on.

No barriers to future competition are anticipated. The re-compete of a long-term award will include an acquisition strategy to provide for adequate competition.

(8) Certifications / Signatures.

Technical Representative Certification:

Pursuant to FAR 16.505(b)(2)(ii)(B)(9), I certify that any supporting data that is my responsibility and which forms a basis for the justification is complete and accurate to the best of my knowledge and belief.



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Adam Sapinski
Budget Analyst
Debt Management Center (Station 389)

06/05/15
Date

Contracting Officer Certification/ Approval:

Pursuant to FAR 16.505(b)(2)(ii)(B)(8), I certify that this justification is accurate and complete to the best of my knowledge and belief and approval is thus provided.

Pursuant to 16.505(b)(2)(ii)(B)(10), I have determined that the circumstance in FAR 16.505(b)(2)(i)(C) applies to the order.

Steven C. Griffith
Contracting Officer
Strategic Acquisition Center – Frederick

06/05/2015
Date