

**LIMITED SOURCES JUSTIFICATION**

**ORDER >\$150,000**

**FAR PART 8.405-6**

**2237 Transaction # or Vista Equipment Transaction #:** 618-16-2-5769-0097

This acquisition is conducted under the authority of the Multiple Award Schedule Program. The material or service listed in par. 3 below is sole source, therefore, consideration of the number of contractors required by FAR Subpart 8.4 – Federal Supply Schedules, is precluded for the reasons indicated below.

**Restricted to the following source:** Provide original manufacturer's name for material or contractor's name for service. (If a sole source manufacturer distributes via dealers, ALSO provide dealer information.)

Manufacturer/Contractor: Nuance Communications Incorporated

Manufacturer/Contractor POC & phone number: 1 Wayside Road Burlington, MA 01803 781-565-5000

Mfgr/Contractor Address: N/A

Service Center/phone number: Nuance Comm., 3984 Pepsi Cola Drive, Melbourne FL. 32934

☒ The requested material or service represents the minimum requirements of the Government.

**(1) AGENCY AND CONTRACTING ACTIVITY:**

Department of Veterans Affairs

BHHC Contracting

113 Comanche Street

Fort Meade

South Dakota 57741

**VISN:**

23

**(2) NATURE AND/OR DESCRIPTION OF ACTION BEING APPROVED:**

The action being sought is a firm-fixed-price purchase order for the procurement supporting annual maintenance for VISN 23, Nuance dictation system hardware, software, licenses and upgrades in the amount of \$246,943.00.

**(3) (a) A DESCRIPTION OF THE SUPPLIES OR SERVICES REQUIRED TO MEET THE AGENCY'S NEED:**

Nuance dictation annual maintenance. The proposed action is to provide technical support including maintenance for hardware, software, licenses, and upgrades for the Nuance dictation system installed in VISN 23. The estimated cost is \$246,943.00 with a period of performance from 3/1/2016 through 2/28/2017. Requesting (2) two service year performance period, expiring 02/28/2018

**(b) ESTIMATED DOLLAR VALUE:** \$ 493,886.00

**(c) REQUIRED DELIVERY DATE:** 03/01/2016

**(4) IDENTIFICATION OF THE JUSTIFICATION RATIONALE (SEE FAR 8.405-6), AND IF APPLICABLE, A DEMONSTRATION OF THE PROPOSED CONTRACTOR'S UNIQUE QUALIFICATIONS TO PROVIDE THE REQUIRED SUPPLY OR SERVICE. (CHECK ALL THAT APPLY AND COMPLETE)**

Only One Responsible Source and No Other Supplies or Services Will Satisfy

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☒ Specific characteristics of the material or service that limit the availability to a sole source (unique features, function of the item, etc.). Describe in detail why only this suggested source can furnish the requirements to the exclusion of other sources.

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

The Nuance Boomerang transcription/dictation system has been previously furnished by Nuance. The system is a major VISN 23-wide solution utilized by clinical users to dictate exams and reports. The services of Nuance are essential for the ongoing maintenance and usage of the system. The software is proprietary and Nuance owns the source software code, so the annual maintenance is only available from Nuance.

☐ A patent, copyright or proprietary data limits competition. The proprietary data is:  
(If FAR 8.405-6(a)(2)iii before posting. Do not include specific proprietary data. Only mention the type of equipment, procedure, etc. to show that proprietary supplies or services are being procured.)

☐ These are "direct replacements" parts/components for existing equipment.

☐ The material/service must be compatible in all aspects (form, fit and function) with existing systems presently installed/performing. Describe the equipment/function you have now and how the new item/service must coordinate, connect, or interface with the existing system.

☐ The new work is a logical follow-on to an original Federal Supply Schedule order provided that the original order was placed in accordance with the applicable Federal Supply Schedule ordering procedures. The original order must not have been previously issued under sole source or limited source procedures.

☐ An urgent and compelling need exists, and following the ordering procedures would result in unacceptable delays.

**(5) DESCRIBE WHY YOU BELIEVE THE ORDER REPRESENTS THE BEST VALUE CONSISTENT WITH FAR 8.4 TO AID THE CONTRACTING OFFICER IN MAKING THIS BEST VALUE DETERMINATION:**

a). Any open market items prices will be compared to prices that were found fair and reasonable on previous purchases.

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b). The users are familiar and satisfied with the current Dictaphone system thus minimizing the effect on clinician productivity with learning a new application.

c). In order to enhance competition, the speech recognition system would have to be replaced, which is cost prohibitive in relation to the estimated cost of annual maintenance.

**(6) DESCRIBE THE MARKET RESEARCH CONDUCTED AMONG SCHEDULE HOLDERS AND THE RESULTS OR A STATEMENT OF THE REASON MARKET RESEARCH WAS NOT CONDUCTED:**

The original requirement was advertised in FBO as a Combined Synopsis with intent to enter into a sole source with Nuance. However, an opportunity was provided for the general public to respond to the requirement. This was conducted and competitively awarded on contract 618-C40321 to Nuance.

**(7) ANY OTHER FACTS SUPPORTING THE JUSTIFICATION:**

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**(8) A STATEMENT OF THE ACTIONS, IF ANY, THE AGENCY MAY TAKE TO REMOVE OR OVERCOME ANY BARRIERS THAT LED TO THE RESTRICTED CONSIDERATION BEFORE ANY SUBSEQUENT ACQUISITION FOR THE SUPPLIES OR SERVICES IS MADE:**

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**(9) 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. I understand that processing of this limited sources justification restricts consideration of Federal Supply Schedule contractors to fewer than the number required by FAR Subpart 8.4. *(This signature is the requestor's supervisor, fund control point official, chief of service or someone with responsibility and accountability.)*

		2/22/16	
SIGNATURE		DATE	
Jennifer Gersten	Biomedical Engineer		Biomedical Engineering
NAME	TITLE	SERVICE LINE/SECTION	
VISN 23			
FACILITY			

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**(10) APPROVALS IN ACCORDANCE WITH THE VHAPM, Volume 6, Chapter VI: OFOC SOP: *This part if filled out by Contracting Staff as part of the Justification***

**a. CONTRACTING OFFICER'S CERTIFICATION (required):** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

_____ CONTRACTING OFFICER'S SIGNATURE	2/22/2016 _____ DATE
Amanda J. Hildreth, Contracting Officer _____ NAME AND TITLE	NCO 23, Black Hills Contracting _____ FACILITY

**b. Director of Contracting/DESIGNEE:** I certify that the foregoing justification is accurate and complete to the best of my knowledge and belief.

_____ SIGNATURE	_____ DATE
_____ NAME NCO/PCO X Director of Contracting	

**HIGHER LEVEL APPROVAL (Required For orders over \$650,000):**

**c. SAO:** I certify the justification meets requirements for restricting consideration of Federal Supply Schedule contractors to fewer than the number required by FAR Subpart 8.4.

_____ SIGNATURE	_____ DATE
_____ NAME Director, SAO X	

**d. VHA HCA REVIEW AND APPROVAL (over \$650,000 to \$12.5 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 restricting consideration of the Federal Supply Schedule contractors to fewer than the number required by FAR Subpart 8.4

_____ NAME	_____ DATE
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VHA Head of Contracting Activity (HCA)

e. **VA Deputy Senior Procurement Executive Approval (\$12.5 million not to exceed \$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 restricting consideration of the Federal Supply Schedule contractors to fewer than the number required by FAR Subpart 8.4

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C. FORD HEARD  
Deputy Senior Procurement Executive (DSPE)

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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  
Deputy Assistant Secretary  
Office of Acquisition and Logistics  
Senior Procurement Executive (SPE)

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DATE