

JUSTIFICATION AND APPROVAL
FOR EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity: Department of Veterans Affairs (VA)
Office of Acquisition Operations
Technology Acquisition Center
23 Christopher Way West
Eatontown, NJ 07724

2. Description of the Action: The proposed action is for a firm-fixed-price (FFP) delivery order (DO) under a National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) V Government-Wide Acquisition Contract (GWAC) for the procurement of 450 new KnowWare International Inc. Quality Improvement (QI) Macros software licenses upgrades to the existing licenses for the VA Region 3 Offices.

3. Description of Supplies or Services: The proposed action shall provide VA Region 3 Offices with 450 each brand name KnowWare QI Macros software license upgrades to the current QI Macros software licenses. KnowWare QI Macros software is a tool that provides VA Quality Management teams and other medical center staff with an automated method to create control charts, histograms, and other critical charts and diagrams, as well as to track performance and demonstrate the success or opportunities for improvement identified in VA's performance improvement programs. This type of data is used for the analysis and improvement of Medical Center processes. All items shall be delivered within 30 days from date of award. The total estimated price of this action is \$ [REDACTED].

4. Statutory Authority: The statutory authority permitting an exception to fair opportunity is Section 41 U.S.C. 4106(c)(2) as implemented by the Federal Acquisition Regulation (FAR) Subpart 16.505(b)(2)(ii) entitled "Only one awardee is capable of providing the supplies or services required at the level of quality required because the supplies or services ordered are unique or highly specialized."

5. Rationale Supporting Use of Authority Cited Above: Based on market research, as described in paragraph 8 of this document, it was determined that limited competition is viable among authorized resellers for this requirement. Region 3's infrastructure is based on existing KnowWare QI Macros software licenses and VA requires software upgrades compatible with the existing infrastructure protocols and functionality for continued operational availability. Only brand name KnowWare International Inc. or an authorized reseller can provide the upgrades necessary to ensure the KnowWare QI Macros software remains up-to-date due to the proprietary source code required to develop and implement software upgrades. Without the aforementioned proprietary source code, no source other than KnowWare QI Macros can meet VA's needs. Specifically, the source code allows a source to ensure the upgrades are properly configured and work in the current KnowWare QI proprietary environment. Should the software license upgrades not be acquired, there is an immediate risk to interoperability with other existing software extensively

used within Region 3, namely Microsoft Windows and Excel applications. Additionally, VA would not be able to benefit from the added time saving features provided in the software upgrade. For example, a feature, Data Mining Wizard, has been added to QI Macros for Excel. It automates the creation of a Pivot Table and all of the charts that can be derived from the data. This feature automatically examines your data, summarizes it and creates control charts and Pareto charts.

6. Efforts to Obtain Competition: Market research was conducted, details of which are in the market research section of this document. This effort did not yield any additional sources that can meet the Government's performance requirements. It was determined however that limited competition is viable among authorized resellers for this brand name item. In accordance with FAR 5.301 and 16.505(b)(2), this action will not be synopsisized at award on the Federal Business Opportunities Page (FBO) but the justification will be made publicly available with the solicitation on the NASA SEWP webpage.
7. Actions to Increase Competition: The Government will continue to conduct market research to ascertain if there are changes in the market place that would enable future actions to be competed.
8. Market Research: In March 2016, the Government's technical experts reviewed a similar software product produced by Minitab and determined that the alternative solution would present major interoperability issues with the MacIntosh PCs currently deployed throughout the VA network and therefore isn't a viable option. Additional market research was conducted in March 2016 utilizing the NASA SEWP Quick RFI Tool. Responses were received from four (4) resellers of KnowWare International Inc. products. The market research results demonstrate that limited competition is viable for this brand name requirement.
9. Other Facts: None

10. Technical and 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.

██████████

Date: ██████████

Region 3 Chief Technology Officer

Signature: ██████████

11. Fair and Reasonable Cost Determination: I hereby determine that the anticipated price to the Government for this contract action will be fair and reasonable based on anticipated competition. Additionally, NASA SEWP V contract prices are determined fair and reasonable. Finally, the successful quote will be compared with the Independent Government Cost Estimate.

██████████

Date ██████████

Procuring Contracting Officer

Signature: ██████████

12. 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 \$500,000, the certification below required by FAR 16.505(b)(2)(ii)(C)(1) serves as approval.

██████████

Date ██████████

Procuring Contracting Officer

Signature: ██████████