

JUSTIFICATION FOR OTHER THAN FULL AND OPEN COMPETITION

1. Contracting Activity: Department of Veterans Affairs (VA)
Office of Acquisition Operations
Technology Acquisition Center
23 Christopher Way
Eatontown, NJ 07724
2. Description of Action: The proposed action is for a 6-month firm-fixed price effort with two 6-month option periods for operational support and maintenance of the current Veterans Online Business Registry (VetBiz) and VetBiz Case Management System (VCMS) with Valador, Inc., 560 Herndon Parkway Suite 300, Herndon, VA 20170-5239.
3. Description of Supplies or Services: The purpose of this proposed action is to provide operational support and maintenance, which includes deficiency review & corrections, defect repair, migration, web services, data integration, and on-site technical support for the VetBiz system to include support for the Vendor Information Pages (VIP) web server, VIP database, VetBiz VCMS, e-signature solutions, web services, system integrations, and all other software components. Operational support shall also include systems and direct application administration, database management, user management and system security, including source code and security vulnerability scan using VA approved Deploy Static Application Security Testing Tools to meet VA Office of Information Technology's Software Assurance (SWA) Policy.

The period of performance for this action will include one 6-month base period, with two 6-month option periods, and two optional tasks, if exercised. Optional Task 1 is for Modeling & Simulation Support, which shall be for six months and can be exercised once during the two option periods. Optional Task 2 is for Migration/Transition-Out support, which shall be for 90 days in duration and can be exercised once during the life of the contract. The total estimated value of the proposed action (inclusive of 6-month base period, two 6-month option periods, and two optional tasks) is [REDACTED]

4. Statutory Authority: The statutory authority permitting other than full and open competition for this acquisition is 41 U.S.C.3304(a)(5), "Authorized or Required by Statute", as implemented by FAR 6.302-5. For this action, 38 U.S.C. 8127(c), known as the Veterans First Contracting Program provides the authority to directly contract with a service-disabled Veteran-owned small business (SDVOSB) or a Veteran-owned small business (VOSB).
5. Rationale Supporting Use of Authority Cited Above: The proposed source for this acquisition is Valador, Inc., 560 Herndon Parkway Suite 300, Herndon, VA 20170-5239. Valador, Inc., a registered and verified SDVOSB by VA Center for Verification and Evaluation, is technically qualified by virtue of incumbency to perform the stated operational support and maintenance services for VA and has proven that it has the necessary capabilities to meet all of the Government's requirements. Valador has successfully performed the required services, executing all routine Office of

Information Security (OIS) updates since June 1, 2010. Valador possesses the application knowledge and technical expertise required to complete this project. In light of the above, the Government's technical experts have determined that Valador is capable of meeting all of the Government's requirements and is considered a responsible SDVOSB.

6. Efforts to Obtain Competition: For this effort, market research was conducted, details of which are in the market research section of this document. Consistent with the guidelines of the Veterans First Contracting Program, the proposed action described herein will be synopsisized on the Federal Business Opportunities Page in accordance with FAR Part 5.
7. Actions to Increase Competition: All future requirements will be handled on a case-by-case basis to determine any future acquisition strategy.
8. Market Research: The VetBiz.gov database was accessed on July 1, 2016 to verify Valador's status as a SDVOSB. This search concluded that Valador is registered and certified and qualifies as a SDVOSB in accordance with the federal small business size standard for the applicable North American Industry Classification System Code 541511 – Custom Computer Programming Services. It was also verified on July 1, 2016 that Valador is registered in the System for Award Management database and is eligible to receive a Government contract.
9. Other Facts: The Procuring Contracting Officer has determined that this proposed action meets all the requirements of 38 U.S.C. 8127(c). This acquisition is below the \$5,000,000.00 threshold, Valador is a responsible SDVOSB for performance of the services described herein, and the proposed contract can be awarded at a fair and reasonable price.

VetBiz is a system custom built by Valador, Inc. specifically to support the verification process. Valador is the only company with in depth knowledge of the VetBiz system, the soft code, database schema, and interconnected applications. All Valador personnel have current VA security clearance, VA network accounts, and have completed all prerequisite training and can begin to work immediately to ensure no break in service and to avoid a potential shutdown of the Verification Process, impacting hundreds of Veterans whose application must be processed within 60 days as required by CFR 38 PART 74.

Valador is currently developing a major software release for the VetBiz system, called VIP 7.0. On June 30, 2015, VA OIS, SwA Program Office conducted a secure code Verification & Validation review of the VIP 7.0 soft code. This review is a part of the normal ongoing OIS surveillance of VA systems security, and is not reflective of the capabilities of the developer. Goals of performing secure code reviews include ensuring that risk-based activities in applications are consistent with VA policies. The code review revealed that VIP 7.0 would require resolution of 13 residual high severity vulnerabilities, 658 residual low severity vulnerabilities, and 2 unresolved scan issues. Valador is the only company with the requisite knowledge of the soft code and underlying database schema who can address these security

issues in a timely manner to ensure VetBiz maintains its conditional Authority to Operate. Making the adjustments listed above would be very time consuming for any vendor not intimately familiar with the current code.