

JUSTIFICATION  
FOR AN EXCEPTION TO FAIR OPPORTUNITY

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

2. Description of Action:

The proposed action is a logical follow-on to contract / task order number VA118-14-D-0056 / VA118-0056-0014 with Grant Thornton, LLP (henceforth referred to as Grant Thornton), 333 John Carlyle Street, Suite 500, Alexandria, Virginia 22314, to complete the business case analysis of the VA Office of Information & Technology (OI&T) Digital Health Platform (DHP) pilot project to support moving forward with a comprehensive digital IT platform that will enable VA modernization efforts. This task order was originally awarded on September 28, 2016 for a 12-month period of performance in the total firm-fixed-price amount of \$4,494,592.10 via fair opportunity under the Office of Management and Budget (OMB) Circular A-123 Support Indefinite-Delivery / Indefinite-Quantity multiple-award task order contract.

3. Description of the Supplies or Services:

The purpose of this task order is to obtain support for the Information Technology Resource Management (ITRM) office for its efforts to improve management controls through the development and implementation of updating process documentation with improved practices; process and performance management capabilities; data management and data analytics, ad-hoc data analyses; and portfolio management services. These efforts are in support of Federal Cabinet-level, multi-billion dollar, and multi-year information technology (IT) budget programming, formulation, and execution efforts. The ITRM support services task order is required in order to ascertain the full financial ramifications, program priority prioritization implications, and subsequent budget impacts for the OI&T organization which ITRM serves as the financial office for.

On February 22, 2017, as a result of the newly appointed SECVA's concern with VA's EHR, modification P00001 was issued to include within scope requirements for the Contractor to conduct financial analyses on the DHP proof of concept to help inform the decision of which EHR will become the path forward for VA. This modification increased the total value of the task order by \$690,595.25 from \$4,494,592.10 to \$5,185,187.35. For this proposed action, VA intends to issue modification P00002 to incorporate three additional tasks to the Performance Work Statement (PWS) of the existing order, under a logical follow-on basis, so as to allow for continued digital IT platform framework analyses which will help validate the scalability of the DHP proof of concept. The total estimated price of the proposed modification is \$690,595.25;

performance of this effort will occur within the same 12-month task order period of performance, which ends on September 27, 2017.

#### 4. Statutory Authority:

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) Subpart 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."

#### 5. Rationale Supporting Use of Authority Cited Above:

ITRM is responsible for conducting the business case analysis associated with moving forward with a comprehensive digital IT platform that will be used to both inform and support VA's modernization effort. Under the existing task order and efforts performed under modification P00001, Grant Thornton has already completed activities related to assessment of the DHP pilot pursuant to its task order requirements under PWS 5.2 ("ITRM Support and Ad Hoc Analyses"), PWS 5.7 ("Requirements Development Support"), as well as its prior delivery of cost analysis for the DHP proof of concept. The work called for by this proposed action will build upon the financial and programmatic analyses previously completed by Grant Thornton with respect to the DHP proof of concept. This proposed effort will continue the previous support efforts performed by Grant Thornton, who will continue to assist VA with the development of programmatic options related to the new enterprise capability framework and document the mission, team structure, and roles associated with a comprehensive digital IT platform. Additionally, Grant Thornton will also assist VA in prioritizing solutions using this framework, taking into consideration the timeframe associated with deploying the solution to various VA Regions. Finally, Grant Thornton will assist in providing portfolio management support for development of the programmatic decision documents that will inform Congress and the OMB of the VA way ahead with respect to selection of a platform.

The proposed work is a logical follow-on to work previously performed by Grant Thornton under modification P00001 with respect to providing programmatic and cost consideration analyses associated with transitioning to a final and comprehensive digital IT platform. Grant Thornton will continue providing VA with risk, cost, and schedule analyses support associated with a digital IT platform, consistent with the general scope of the original task order and modification P00001 thereto. The estimated price of \$690,595.25 for this modification represents a 13% increase to the current task order value. The proposed work for this modification was not included under the modification P00001 as the work required to support the digital IT platform framework analyses was not known and could not be initiated until the DHP proof of concept was first established. Decision to establish a comprehensive digital IT platform requires iterative decision making which can progress only after prior analyses have been completed and the next steps to proceed forward have been clearly identified.

Only Grant Thornton can meet VA's current requirements to provide program analysis and evaluation of digital IT platform options to support VA's modernization efforts.. Utilizing any other source would result in extensive duplication of cost and delivery delays.

Grant Thornton has worked closely with the technical and functional resources in VA since the task order's inception and has gained significant knowledge of VA IT systems and the financial and programmatic dependencies that must be considered in VA's planning of a digital IT platform framework. Any other source would need to conduct an entirely new, comprehensive evaluation of the current environment, re-create the data review and analytics processes already developed by Grant Thornton, re-create reporting mechanisms, and ensure all analysts have the proper security requirements.

It is estimated that the duplication of these efforts by another source would result in \$5M in duplicated costs and a delivery delay of at least 6 months. These estimates are based on previous efforts that created similar processes, including the current effort with Grant Thornton. Only Grant Thornton has the ability to efficiently and effectively provide financial and programmatic analyses and evaluation of options within the VA's scheduled deadlines due to efforts completed to date. No other source would be capable of rapidly responding to ITRM's current, time-critical requirement without incurring the significant delays and duplication of costs mentioned above. Grant Thornton's prior IT financial data analyses efforts and exposure to VA organizations during this time of changing leadership makes it best situated to collaborate with senior-level executives supporting ITRM in making sound business decisions with respect to VA's future digital IT platform. VA will be unable to move forward timely with its efforts to stand up the digital IT platform framework that is essential to providing Veterans with the benefits and healthcare support they deserve unless it obtains these critical financial support services in a timely manner. The proposed support to be provided by Grant Thornton are critically necessary in order to successfully document the business, cost, and programmatic considerations for a comprehensive digital IT platform in time to meet the VA Secretary's expectations for VA modernization.

#### 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 requirements. There is no competition anticipated for this acquisition. In accordance with FAR 5.301 and 16.505(b)(2)(ii)(D), the award notice for this action will be synopsisized on the Federal Business Opportunities Page (FBO) and the justification will be made publicly available within 14 days of award.

#### 7. Actions to Increase Competition:

The Government will continue to conduct market research to investigate the possibility of competing future requirements related to this effort should additional support efforts be required.

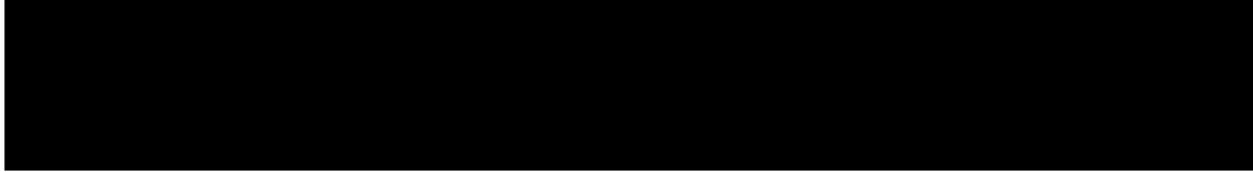
#### 8. Market Research:

The Government's technical experts performed market research in May 2017 by searching the capabilities of sources providing similar services. These sources included KPMG and MorganFranklin. While these sources were discovered to provide similar services, none of these sources can meet VA's requirements without resulting in a significant duplication of cost and delivery delay as outlined in section 5 of this document. Only Grant Thornton can ensure timeless and seamless support from the DHP proof of concept analysis, which is critical to meeting VA's requirements for the digital IT platform framework analysis that will directly factor into the SECVA's modernization plans.

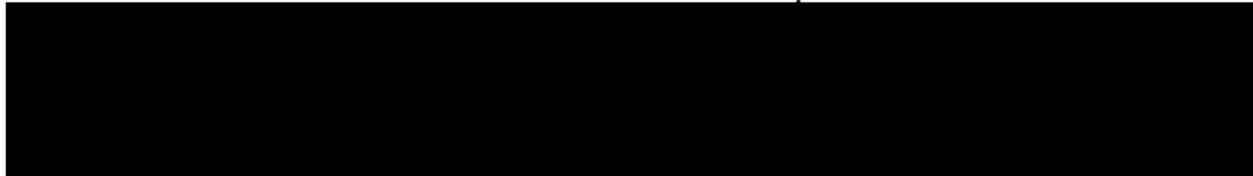
#### 9. Other Facts:

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.



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 faith in the technical evaluation team's analysis of the proposed level of effort in conjunction with validation that the proposed labor rates do not exceed the rates already on contract (which were previously determined to be fair and reasonable based on competition).



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 \$700,000, the certification below required by FAR 16.505(b)(2)(ii)(C)(1) serves as approval.

