

LIMITED SOURCES JUSTIFICATION

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: This proposed action is for a firm-fixed price, sole source Task Order to be issued under the General Services Administration (GSA) Federal Supply Schedule (FSS) 70, contract number GS-35F-0170K, with Executive Information Systems, LLC (EIS), for brand name Statistical Analysis System (SAS) additional software licenses, software maintenance and the renewal of software maintenance support services for existing SAS software.

3. Description of the Supplies or Services: VA, Office of Information and Technology, Service Delivery and Engineering, Field Operations Region 5, in support of Veterans Benefits Administration (VBA) Office of Performance Analysis & Integrity (OPA&I), has a requirement for additional SAS software licenses and software maintenance. OPA&I has an existing production server run SAS software that is currently being used throughout VBA to provide OPA&I with predictive analytics, simulation, optimization studies, and ad hoc reporting capabilities of current claims processing functions. The SAS software that is currently installed in this production environment provides for advanced analytical tools for predictive analysis, data mining, and claims workload forecasting. OPA&I have established a SAS-based pre-production environment to replicate the current production environment. In meeting the demands of an often chaotic and unpredictable production software environment, it's necessary to test new functions within a pre-production environment. When systems are placed in production, their operational characteristics (and flaws) are on display for all users to see and encounter, whether it is an internal information technology product that relies on authentication and profile data, or an externally-facing mission-critical system. This pre-production environment is utilized to test new software features and newly released reports; perform software performance and acceptance testing; and test the ability to migrate systems, software, and data to new vendor software deployed in support of Veteran claims processing. The pre-production environments are vital to expose the systems, software, and data to rigorous testing in advance of deployment to the production systems. For this reason, the pre-production environment must mirror the actual production environment. The SAS software will be installed on a SAS pre-production server used throughout VBA for development and testing predictive analytics, simulation, optimization studies, and ad hoc reporting capabilities of current claims processing functions. Technical software support and maintenance is required for software updates, patches, phone and email support, and on-line self-help. The period of performance shall be from August 31, 2017 through August 30, 2018.

4. Statutory Authority: This acquisition is conducted under the authority of the Multiple-Award Schedule Program. The specific authority providing for a limited source award is Federal Acquisition Regulation (FAR) 8.405-6(a) (1)(i)(B), "Only one source is capable

of providing supplies or services required at the level of quality required because the supplies and services ordered are unique or highly specialized”.

5. Rationale Supporting Use of Authority Cited Above: The proposed source for this action is EIS, LLC, 6901 Rockledge Drive, Suite 600, Post Office Box 34076, Bethesda, Maryland, 20827-0076. Based on extensive market research, as described in section 8 of this document, it was determined that there is no competition among vendors and as EIS is the sole Government provider of SAS software maintenance support. Therefore, only an award to EIS can satisfy the Government’s requirement for additional SAS software; maintenance and support. Only the brand name SAS software licenses are fully compatible and are able to fully mirror the existing SAS software product server within OPA&I. As such, VA must procure the same SAS software that currently runs on the production environment. Running alternate brand software that performs similar functionality will not provide for an accurate test environment, ultimately degrading the integrity of any tests performed in pre-production. Installing new software in the production environment without knowing its real impacts would negatively impact all facets of the deployed claims processing systems, including functionality, performance, and security. Additionally, the software includes maintenance support so the software will remain up-to-date and consistent with the production system. SAS’s software coding is proprietary in nature and is not released to any other party. No other firm has the capability to develop and issue software updates and fixes for SAS software necessary to support existing EO statistical and analytical requirements without access to SAS proprietary software code. Furthermore, SAS software maintenance will ensure that all support services are performed and properly configured to the VA-owned SAS software which can only be provided by those who have access to the proprietary software code. Additionally, no other software products could meet VA’s interoperability and compatibility requirements and would require a complete replacement of the current SAS infrastructure. Replacement of the SAS software licenses and maintenance with a product other than SAS would require VA to procure new analytical software licenses and associated maintenance. Additionally, the time it would take to install, test, and train VA staff on the use of new software would cause multiple project delays. SAS software maintenance will ensure that all support services are performed and properly configured to the VA-owned SAS software. If the software should not be properly maintained by the contract, the risk of failure would affect the hundreds of reports and applications depending on its functionality. Without this access it is impossible to modify the software code as necessary for these patches and updates degrading the Government’s ability to analyze, visualize, and share data supporting Veteran benefits claims and delay the timely processing of claims to the detriment of Veterans. SAS provides the maintenance to the Government exclusively through EIS, as SAS does not sell its software maintenance through any other resellers. Furthermore, EIS is SAS’s sole Government provider for software and software maintenance and holds a current contract under GSA FSS 70. Only EIS is c maintenance and support that meets the Government’s requirements.

6. Efforts to Obtain Competition: Market research was conducted, details of which are in section 8 of this justification. There is no competition anticipated for this acquisition. Based on market research, EIS is the only authorized Government reseller of SAS

maintenance. The ordering activity will post the justification along with the Request for Quotation to e-Buy in accordance with FAR 5.301 and 8.405-6(a)(2), this action will be synopsisized and the justification will be posted on the Federal Business Opportunities Page within 14 days of after award.

7. Actions to Increase Competition: VA has extensive investment into its current implementation and customization of the SAS software licenses used through VA. The Government will continue to conduct market research to ascertain if there are changes in the marketplace that would warrant completion for other software solutions or additional resellers.

8. Market Research: Market research was conducted May 2017 by Government technical experts by reviewing similar software and software maintenance to ascertain if these items could meet the Government's requirements. Specifically, the Government technical experts conducted internet search to determine if there was other software available that could meet the Government's requirements for replicating OPA&I's current production environment. Though there are other similar products including The R Foundation and Python Software Foundation that offer data visualization and simulation, SAS infrastructure is already integrated into the OPA&I production infrastructure supporting current analytical processes. As such, no other brand product can be used to create a pre-production environment that fully mirrors the existing SAS infrastructure. Additionally, the Government technical experts confirmed that as the source code required to issue the updates is proprietary, SAS is the only source capable of providing the required maintenance and upgrades for SAS software. No other firm has the capability of developing and issuing software updates and fixes for SAS software necessary to support existing EO requirements.

VA performed further market research in May 2017 by conducting a search on the GSA e-Library. Market research indicated only EIS has exclusive rights to sell and support all SAS software licenses and maintenance to Government customers. Finally, Government representatives received a sole source letter on April 11, 2017 directly from SAS confirming EIS as the sole authorized reseller for SAS software to Government entities. Therefore, this proposed action will be a sole source task order issued under GSA FSS 70, contract number GS-35F-0170K with EIS.

9. Other Facts: None.