

**Justification for an Exception to Fair Opportunity**  
[Prepared in accordance with FAR 16.505(b)(2)(ii)(B)]

1. **Contracting Activity:** Department of Veterans Affairs  
Office of Acquisition Operations  
Strategic Acquisition Center- Frederick  
321 Ballenger Center Drive, Suite 125  
Frederick, MD 21703
  
2. **Action Being Approved:** This justification is for a 12-month, sole source, firm fixed-price order with one 12-month option period and one (1) two- month option period against the Agile Delivery of VA Imminent Strategic and Operational Requirements (ADVISOR) contract VA119A-15-D-0005 with Enterprise Resource Performance, Inc. (ERPi) for oversight, improvement, data analysis and training for the Office of Strategic Integration| Veterans Engineering Resource Center (OSI|VERC) on behalf of the Chief, Veterans Health Administration (VHA) National Policy, 10B4.
  
3. **Description of the Supplies or Services:** The proposed action is to provide professional services as required to respond to the 2015 Government Accountability Office (GAO) High Risk Report, which named five high risk areas with in the VHA. The GAO categorized its concerns related to VA's ability to ensure the timeliness, cost-effectiveness, quality, and safety of health care the Department provides into five broad areas: (1) ambiguous policies and inconsistent processes, (2) inadequate oversight and accountability, (3) information technology challenges, (4) inadequate training for VA staff, and (5) unclear resource needs and allocation priorities. Given the findings identified in the 2015 GAO High Risk Report, the Under Secretary for Health (USH) has mandated a plan for implementing process changes that will improve enterprise policy management in VHA, and assist the field in developing appropriate local policies that align with national policies. Policy includes, but is not limited to, directives, handbooks, regulations and associated guidance, and memos from senior VHACO and Field leaders. This task order will support the response specific to (1) ambiguous policies and inconsistent processes. Work will include the ADVISOR task areas of program/project management support, improvement, data and analyses, and training.

The estimated value of the acquisition, based on historical data from the previous task order, is \$2,999,463.34 for the 12-month base period of performance; cost for option period one would increase to \$3,059,306.92 and option period two would reduce to \$659,403.12 for the short two-month duration. Current support for this Program is provided under ADVISOR TOPR 0069 (VA119A-15-D-0005 VA119A-17-J-0238) through September 17, 2018. This logical follow-on task order will have a base period of performance of September 18, 2018 through September 17, 2019.

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) 16.505(b)(2)(i)(C), titled "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:

The work required under the next task order is a continuation of activities currently performed under the existing (previously competed) task order ADVISOR 0069 (VA119A-15-D-0005/VA119A-17-J-0238). The Office of Strategic Integration (OSI) have decided that TOPR 0069 will no longer be used for the GAO work as the CLINS within TOPR 0069 are being used for other in-scope work moving forward. Further, through previous performance, the work currently being done through labor hour CLINS can now be better defined and is suitable for a Firm Fixed-price follow-on task order. Issuing a logical follow-on order to the previously competed order will avoid disruption of service and duplication of cost to the Government that is not expected to be recovered through competition, transition delays, and increased costs and therefore is in the interest of economy and efficiency. Using a logical follow-on to continue the program evaluation and reporting, results in the highest likelihood of success and lowest program risk.

The previous task order for these services was competed among all eligible ADVISOR IDIQ contract holders by issuing the Task Order Proposal Request (TOPR) and providing fair opportunity to all ADVISOR contractors. ERPi provided the best value quotation. The Government anticipates that a competition for the same services on ADVISOR would: 1) be disruptive to those projects in progress, and 2) yield the same competitive outcome given ERPi's enhanced experience with, and knowledge of, the program.

The Contractor is currently conducting for the Government on-going work of the same tasks to prepare for the response to and reevaluation by the GAO. The VHA National Policy Office has partnered with the Contractor through the dedication of resources to provide the Contractor with a detailed understanding of policies, processes, repositories and the current state. This foundation was gained over several months of close collaboration between the Contractor and VHA National Policy Office and the Contractor has acquired the skills to use on behalf of the VHA. This foundation enables the project to move from the support of OSI|VERC's labor hours task order (VA119A-15-D-0005/VA119A-17-J-0238) to this firm fixed-price logical follow on, which is advantageous to the government.

Utilization of an alternative contractor unfamiliar with the VHA policy, data, and work requirements associated with the GAO High Risk Report would result in delays, re-work and re-training of the Contractor and avoidable transition issues, productivity losses and an increased risk of discontinuity in reporting all at an increased cost to the government.

6. Fair and Reasonable Cost: See the "Justification Signatures" section of this document for the Contracting Officer's determination that the anticipated cost to the Government will be fair and reasonable. The cost will be fair and reasonable because it is based on established rates that were previously competed. A comparison of the labor rates and hours quoted versus the labor rates and hours listed in the IGCE will be used to ensure a fair and reasonable cost. Further, the Contracting Officer will ensure that the labor rates quoted for this task order are at or below the rates listed in the contract.

7. Other Facts Supporting the Justification:

*Past Performance:* ERPi has provided support in a greater than acceptable fashion throughout the previous task order Period of Performance (PoP).

The logical follow-on order value, at \$2,999,463.34 (\$6,718,173.38 with all options), is within the remaining ADVISOR ceiling.

8. Actions to Remove Barriers to Competition: The Government does not anticipate a follow-on competition for these same services following completion of this logical follow-on task order. After this time, it is anticipated that review of policies will be complete and new processes will be in place removing the need for contract support. New requirements that arise regarding continued compliance with the GAO High Risk will be handled on a case by case basis, and will include strategies supported by associated market research.

In accordance with FAR 5.301 and 16.505(b)(2)(ii)(D)(1), the Government will publish a notice within 14 days of award on Federal Business Opportunities (FBO) and the justification will be posted and made publicly available for a minimum of 30 days.

#### **Justification Signatures**

9. Technical and Requirements Certification: I certify that the supporting data under my cognizance, which are included and form a basis for this justification, are accurate and complete to the best of my knowledge and belief.

[REDACTED]

10. Certification of Accuracy and Completeness/ Cost Determination/ Approval

- a. I certify that this justification is accurate and complete to the best of my knowledge and belief.
- b. I hereby determine that the anticipated price to the Government for this contract action will be fair and reasonable based on a comparison of the labor rates and hours quoted versus the labor rates and hours listed in the IGCE. Further, the Contracting Officer will ensure that the labor rates quoted for this task order are at or below the rates listed in the contract.
- c. Based on the foregoing justification, I hereby approve<sup>1</sup> this acquisition of follow-on support to the current VA/DoD Operations Agreement Task Order on an other than fair opportunity basis pursuant to the authority cited in paragraph 4 above, subject to availability of funds.

[REDACTED]

<sup>1</sup> In accordance with FAR 16.505(b)(2)(ii)(C)(1), "For proposed orders exceeding the simplified acquisition threshold, but not exceeding \$700,000, the ordering activity contracting officer's certification that the justification is accurate and complete to the best of the ordering activity contracting officer's knowledge and belief will serve as approval, unless a higher approval level is established in accordance with agency procedures."

11. Justification Approval (\$700k - \$13.5M): As Competition Advocate for the contracting activity, I have reviewed the foregoing justification and approve the justification for other than full and open competition pursuant to the authority cited in paragraph 4 above, subject to the availability of funds, and provided that the services herein described have otherwise been authorized for acquisition.

[REDACTED]