

JUSTIFICATION AND APPROVAL  
FOR OTHER THAN FULL AND OPEN COMPETITION

1. Contracting Activity: Department of Veterans Affairs (VA)  
Office of Acquisition Operations  
Technology Acquisition Center  
260 Industrial Way West  
Eatontown, NJ 07724
2. Description of Action: This proposed action is for a one-year Firm Fixed Price contract to conduct a pilot program to produce immediately employable and technically qualified Veteran Information Technology (IT) personnel utilizing Acuitus' Digital Tutor software tool.
3. Description of Supplies or Services: VA through the VA Innovation Initiative, anticipates utilizing a computer-based artificial intelligence IT tutoring system as a service. The system has the ability to deliver IT network administration-related instruction in a manner that tailors the instruction to the individual student's motivation, comprehension, and memory, and is also capable of delivering an empirically-demonstrated near-five sigma change in learning outcomes for IT troubleshooting. VA anticipates that the computer-based artificial intelligence tutoring system methodology will provide a rapid and effective path for returning service members to prepare to enter the commercial IT workforce. This pilot program will provide a computer-based tutor for Veteran-specific usage to operate a one-year pilot program responsible for training 100 Veterans. The one year program will comprise six months of curriculum development followed by six months of training for 100 Veterans. The pilot program includes revisions to the digital tutor, as well as post-training assessment by an independent agency to study how Veteran employment rates are affected by participation in the pilot program. The curriculum will be designed to meet the needs of military Veterans and the needs of the private sector into which they will be entering. In addition to the tutoring system, hardware labs will be provisioned to provide Veterans with hands-on experience. The total estimated value of the proposed action is \$5,950,961.85.
4. Statutory Authority: The statutory authority permitting other than full and open competition is 41 U.S.C.3304(a) as implemented by the Federal Acquisition Regulation (FAR) Subpart 6.302-1 entitled, "Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements."
5. Rationale Supporting Use of Authority Cited Above: The proposed source for this action is Acuitus, Inc. (Acuitus), 1891 Page Mill Road, Suite 200, Palo Alto, CA, 94304. Acuitus is the only company with a proven IT curriculum that meets all of VA's needs and that has produced students who have demonstrated capabilities equivalent to actual IT troubleshooters with 7-10 years of experience. This curriculum includes unique motivational capability, a Socratic teaching methodology, state of the art natural language processing, student monitoring capability, and a proprietary remediation capability. This curriculum took two years to develop and was proven in validation testing by independent testers. Subsequently, Acuitus transformed the data collected from the one-on-one tutoring and created a Digital

Tutor system to provide a cost effective replication of the benefits found in the one-on-one expert tutoring setting. This effort took an additional two years to fully develop and test. There is no other Digital Tutor software tool other than the Acuitus brand name Digital Tutor software tool that can meet the Government's needs for artificial intelligence IT tutoring system, and no other software tool has shown an empirically demonstrated near five-sigma improvement in learning outcomes. Because the tool was developed by Acuitus, only Acuitus has the ability and proprietary technical data needed to meet VA's current requirements (with slight modification). Additionally, Acuitus has a proven track record in developing excellent instruction and importing it into the digital tutor environment. The Government estimates that it would take another contractor over seven years of development, testing, and validation to arrive at the current level of maturity as the Acuitus Digital Tutor software tool. VA intends to use Acuitus' proven capability to rapidly train a cadre of 100 Veterans to be competitive for employment in the commercial IT field.

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. Therefore, there is no competition anticipated for this acquisition. Additionally, the proposed action will be synopsisized on the Federal Business Opportunities (FBO) Page in accordance with FAR 5.201. Any proposals received shall be evaluated.

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. Upon completion of this pilot—which will ascertain whether the modified digital tutor is an effective intervention for enhancing veteran employment prospects—the Government will decide whether the pilot program will be expanded in scope and magnitude.

8. Market Research: A Request For Information (RFI) was posted to the FBO Page on March 23, 2012. This RFI was issued to ascertain the ability of any other Digital Tutor software tool and curriculum that could meet VA's needs. One response was received on April 3, 2012 from Ictect, Inc. (Ictect). The submission from Ictect provides some evidence of experience in the area of computer-based knowledge testing from a pilot program with over 100 high school students preparing for a standardized test. Ictect, however, does not have subject matter expertise in rapid knowledge transfer to adult students that is necessary for the successful completion of the proposed twelve (12) month education and tutoring effort of adults in the area of IT and IT security. This action requires a comprehensive approach (teaching and testing content), while Ictect focuses on test content delivery. Moreover, using Word documents as a baseline to capture subject matter expertise, as Ictect proposes, neglects a large part of what is required to make instruction effective, and does not consider issues such as timing, type of pedagogical intervention, adaptivity in the face of unanticipated student states, etc. A Word document-oriented approach identifying testing content neglects much of what happens in a student-teacher relationship to make instruction effective. Also, Ictect's experience with the Department of the Air Force was not relevant to the work anticipated to be performed under this RFI because that contract involved XML conversion and document tagging.

Additionally, the technology being used as a base for the VA work is also required to have an empirically demonstrated ability to provide "near-five sigma" improvement in educational outcomes. Ictect technology has not empirically demonstrated this kind of change in outcomes.

In addition, the technology being used as base for the VA work also is required to take into account student motivation, comprehension and memory states in a dynamic fashion. There is no evidence Ictect has a software platform capable of meeting this requirement.

Finally, it appears that Ictect is an accomplished IT services firm, but not a company with experience in the type of activities involved in knowledge transfer as expected under this RFI. Ictect's competency is in the development of IT solutions that may be used by others responsible for transferring knowledge—in other words, for teaching. This is a significant gap in capabilities considering the scope and level of effort included in this RFI.

Ictect was notified on April 26, 2012 of the Government technical experts' assessment that it could not meet all of VA's needs and was considered unresponsive in many areas of the RFI. No objections were received.

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.

Jonah Czersinski

Date: 23 MAY 2012

Program Manager

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 the Independent Government Cost Estimate and price analysis.

Debra Clatyon

Date: 5/23/2012

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.

Debra Clayton

Date: 5/23/2012

Procuring Contracting Officer

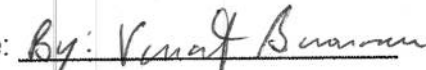
Signature: 

13. Legal Sufficiency Certification: I have reviewed this justification and find it adequate to support other than full and open competition and deem it legally sufficient.

Kim Sawicki

Date: 5/24/2012

Legal Counsel

Signature: By: 

## Approval

In my role as Contracting Activity Competition Advocate, based on the foregoing justification, I hereby approve a one-year Firm Fixed Price contract to conduct a pilot program to produce immediately employable and technically qualified Veteran Information Technology personnel utilizing the Acuitus' Digital Tutor software tool, on an other than full and open competition basis pursuant to the authority of 41 U.S.C. 3304(a), subject to availability of funds, and provided that the property and services herein described have otherwise been authorized for acquisition.

Date: 5/31/12Signature: Wendy J. McCutcheon  
Iris B. Cooper  
Head of the Contracting Activity