

**General Services Administration (GSA)
Federal Systems Integration and Management Center (FEDSIM)**

**JUSTIFICATION AND APPROVAL
JUSTIFICATION FOR OTHER THAN FULL AND OPEN COMPETITION
SOLICITATION GSC-QF0B-14-32896
TASK ORDER GS00Q14AJC0010**

The General Services Administration (GSA) makes this Justification and Approval (J&A) for Other Than Full and Open Competition orders pursuant to Federal Acquisition Regulation (FAR) 6.302-1.

1) Identification of Agency and Contracting Activity:

Client Agency:

General Services Administration (GSA)
Federal Systems Integration and Management Center (FEDSIM)
Acting in support of: GSA, Federal Acquisition Service (FAS), Office of Integrated Award Environment (IAE)

Contracting Activity:

GSA FEDSIM Contracting Office
1800 F Street, NW
Suite 3100 (QF0B)
Washington, D.C. 20405

2) Nature and/or Description of Action Being Approved:

FEDSIM intends to award a one year Firm Fixed Price (FFP) contract for a one-month base period, and eleven (11) one month option periods utilizing FAR 15 procedures to:

Data Analytics, Inc.
DBA: Serendipity Now
10780 Parkridge Blvd., Suite 300
Reston, VA 20191-5455

This contract will provide IAE with continued essential Operations & Maintenance (O&M) support services for the Federal Procurement Data System – Next Generation (FPDS-NG) and USASpending. Serendipity is currently providing these services to IAE under a sole-source contract which expires on September 30, 2014. The total estimated value of this procurement is \$14,230,765.95.

3) A Description of Supplies/Services Required to Meet Agency's Need:

The FPDS-NG system is the only information technology (IT) system in existence that provides a comprehensive web-based tool for agencies to report contract actions.

Currently, regulations (FAR subpart 4.6) mandate that FPDS be used to make publicly available all unclassified Federal contract action data in order to fulfill the statutory requirements of the Federal Funding Accountability and Transparency Act of 2006 (FFATA). As a result, FPDS has been interconnected throughout the Government through connections into agency contract writing systems and other reporting tools used to track contract actions.

USASpending is a website that fulfills the requirements of the FFATA and the Office of Management and Budget memorandum M-08-12 to publicly track all Federal Government awards to include both contract actions and grants. The information contained in USASpending is a culmination of information contained in other Government systems including FPDS-NG. There is no other system in existence today that has the functionality to publicly report on all Federal Government awards and fulfill the statutory requirements of FFATA for a publicly facing website to track this information.

Accordingly, as set forth above, both FPDS-NG and USASpending are mission-critical systems essential to Federal Government procurement.

In 2003, the Government entered into a competitively awarded, eight-year contract with Global Computer Enterprises, Inc. (GCE) to develop, build, and implement, and provide continuous O&M for FPDS-NG, to include version updates, system upgrades, and tiered helpdesk services. The Government chose to acquire FPDS-NG under a contractor owned and contractor operated business model. GCE designed and built the system architecture to include the hardware, software, hosting environment, and Continuity of Operations (COOP) services.

In 2011, a follow-on contract was awarded on a sole source basis to GCE to continue to provide O&M services in support of FPDS-NG as GCE was uniquely positioned in understanding the complex architecture, hosting environment, data and software configurations, thousands of validation rules, numerous system interfaces, etc. Due to the proprietary nature of the technology, the only competitive alternative available to the Government at that time would have been to replace the systems – i.e., a competitive award of a new contract to essentially build a new FPDS-NG from the ground up. That alternative was rejected as cost prohibitive and technically insurmountable in favor of the sole-source follow-on contract.

In September 12, 2011, a bilateral modification was executed to move operations and maintenance support for USASpending.gov, a system previously built for another agency under a separate contract, into the follow-on contract for FPDS-NG. This modification was executed in order to achieve the following goals:

1. To improve performance to be in-line with FPDS-NG
2. Correct data inconsistencies between FPDS-NG and USASpending.gov
3. Achieve savings through using a common vendor

Under this modification, GCE expanded the FPDS-NG platform and consolidated hosting environments to achieve cost savings. The consolidation was completed on April 1, 2012.

In 2013, the follow-on contract was novated by GCE to Data Analytics, Inc. doing business as Serendipity. This current contract expires on September 30, 2014 and cannot be extended.

Although FPDS-NG and USASpending are physically separate systems, they currently share IT infrastructure built by GCE, known between the parties as the “big data cloud.” Additionally, service for both FPDS-NG and USASpending are provided for underneath of the same contract and it is necessary to purchase both on a sole source basis to continue operations of these vital Government systems. As well, the contractor continues to hold exclusive data rights in the custom software and related materials required to operate both of the systems. Unless a new contract is awarded on or prior to September 30, 2014, the FPDS-NG and USASpending systems will cease operations, resulting in a widespread shutdown of the Government's ability to centrally track and report on Federal awards. This, in turn, will substantially inhibit the Government's ability to effectively manage its operations and violate the Federal reporting mandates mentioned above. Accordingly, it is in the best interest of the Government to ensure continuity of operations of FPDS-NG and USASpending through full purchase of the systems and an additional period of operations and maintenance.

To facilitate increased competition and move to a new open source IT environment, the Government is pursuing the acquisition of FPDS-NG and USASpending, limited operations and maintenance support, and transition-out support. Following this acquisition, the GSA will work to transition FPDS-NG functionality to the new IAE Common Services and three core IT environment, all of which are being acquired competitively. USASpending will continue to be operated on GSA's behalf, as described below, until such time as a replacement website for USASpending, which is currently being developed by the United States Department of Treasury, is complete. It is estimated that the replacement website will be complete sometime in April of Fiscal Year (FY) 2015.

The purpose of this short-term FFP contract is to ensure continuity of operations and acquire the data rights necessary for the eventual transition to the new, competitively procured environment. In addition to providing for limited O&M services, there will be a CLIN for the Government to “purchase” (as described below) both of the systems from Serendipity including all environments, hardware, software, intellectual property (including the right to further develop the system), documents, hosting services, and installation binaries for all elements of its solutions. Upon award of this contract, the Government will acquire unlimited rights in the custom-built core of FPDS-NG and USASpending and sufficient license rights to Commercial Off The Shelf (COTS) software required to operate the system. FPDS-NG and USASpending will be provided back to Serendipity as Government Furnished Property (GFP) upon which it will continue to provide limited O&M support services while the Government can facilitate an effective transition and knowledge transfer to a new O&M contractor to avoid service interruptions. That contractor will manage the systems until the Government is able to competitively award a development contract for repurposing the FPDS functionality into the new IAE Common Services and three core environment and the Treasury completes the development of the replacement website for USASpending.

To minimize risk and reduce costs to the Government, the CLIN for O&M support services will have a one-month base period with 11, one-month option periods for a total period of performance of 12 months.

4) Identification of the Statutory Authority Permitting Other Than Full and Open Competition:

The authority under which this J&A is made is pursuant to FAR 6.302.

- o FAR 6.302-1, Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements.

This Sole Source Contract will be awarded pursuant to the authority of 41 United States Code (U.S.C.) 3304(a)(1) as implemented by FAR 6.302-1.

5) Demonstration that the Proposed Contractor's Unique Qualifications or the Nature of the Acquisition Requires Use of the Authority Cited

As detailed above the FPDS-NG and the USASpending systems are contractor owned systems. They were developed, built, and implemented under a contractor owned and contractor operated business model. As the current owner of essential data rights to FPDS-NG and USASpending, only Serendipity can provide O&M for these critical Government-wide systems. Allowing the O&M support to lapse upon expiration of the current contract without transition of the necessary data rights to the Government would result in a cessation of operations of the FPDS-NG and USASpending systems, which in turn would result in a widespread shutdown of the Government's ability to centrally track and report on Federal awards and would substantially inhibit the Government's ability to effectively manage its operations. Not only are the functions that both of these systems provide to the Government critical, they are also statutorily mandated by FFATA so to allow for a service interruption is not an option.

6) Description of Efforts Made to Ensure that Offers are Solicited From as Many Potential Sources as Practicable

As required by FAR Part 5.201, on August 15, 2014 the Contracting Officer published a FedBizOpps "notice of intent" synopsis stating the Government's plan to Sole Source this acquisition. Any responses from this notice will be considered by the Government. No other market research tools were used for identifying any other potential sources because as previously discussed, there are no other sources for this proprietary technology.

7) A Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable

Based on the data gathered, the Contracting Officer has determined that the anticipated cost to the Government will be fair and reasonable. The expectation of reaching a fair and reasonable price was determined through the Government's independent valuation and the cost rationale provided by Serendipity in order to determine best value for GSA IAE. The total amount of funding required for the total estimated period of 12 months (if all options are exercised) is approximately \$14.2M.

8) A Statement of the Reason Market Research was not Conducted

FEDSIM did not conduct market research because of the proprietary nature of the technology. Both are contractor owned systems, so unless the Government were to purchase the systems, only Serendipity can provide O&M services. Additionally, IAE already has a well-developed strategy to integrate the functionality of FPDS-NG into the new Common Services and three core environment by FY2017 and at that point, the existing FPDS-NG system will be retired.

9) Any Other Facts Supporting the Use of Other Than Full and Open Competition

All facts supporting the use of Other than Full and Open Competition have been stated above.

10) A Listing of the Sources, if any, That Expressed, In Writing, An Interest in the Acquisition

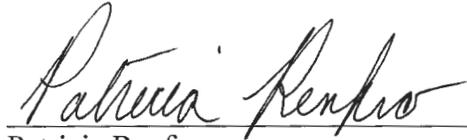
To date, the Contracting Officer has not received any statements of interest regarding the proposed Sole Source effort, with the exception of the incumbent, Serendipity Now.

11) A Statement of the Actions, if Any, the Agency May Take to Remove or Overcome Any Barriers to Competition Before Any Subsequent Acquisition for the Supplies or Services Required

Issuing the second and final sole source contract to Serendipity in order to purchase the FPDS-NG and USASpending systems and to ensure O&M support services continue until the work is successfully transitioned to another contract/Treasury ensures that continued limitation of sources for this requirement in the future are avoided. This short-term sole source action will remove all future barriers to competition for this requirement. Upon award, the Government will purchase the systems from Serendipity and then provide them back to Serendipity as GFE. The Government will then begin to transition responsibility for the FPDS-NG O&M services to another contractor (under a competitively awarded contract) to ensure continual support. Meanwhile, USASpending functionality will be transferred to Treasury as stated above. Finally, the functionality of FPDS-NG will be rolled into the future IAE Common Services and three core environment by FY17. Requirements for the development of this platform/environment will be competed.

12) Contracting Officer Certification that the Justification is Accurate and Complete to the Best of the Contracting Officer's Knowledge and Belief

I certify that this justification is accurate and complete to the best of my knowledge and belief, and determine on the basis of the findings above that an other than full and open competition approach is in accordance with the requirements and is in the best interest of the Government.



8/22/14

Patricia Renfro

FEDSIM Contracting Officer and Acquisition Group Manager, Enterprise Sector

Signature of Authorized Official:

Tim Fleming, Head of Contracting Activity

Date