## JUSTIFICATION REVIEW DOCUMENT FOR OTHER THAN FULL AND OPEN COMPETITION

**Program/Equipment:** Program Executive Office Enterprise Information Systems, Program Management Office, Integrated Personnel and Pay System-Army Increment II, Release 4 Minimum Viable Solution, Training and Deployment, IPPS-A Inc II Capability Support, and Inc II Additional Capabilities.

**Authority:** Title 10 United States Code (U.S.C.) Section 2304(c)(1) as implemented by Federal Acquisition Regulation (FAR) 6.302-1 -- Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements.

Amount:		
Prepared by:		
Namer Title: ( Email:	-pr.	DSN: Date: 30 November 2020
Contracting Officer:		Re Commonwealth Co
Name: Email:		DSN: Date Reviewed: 1 December 2020
Technical Representative:		
Name: Title:	I	DSN: Date Reviewed: 1 December 2020
Requirements Representative:	<b>-</b> k	
Name: Title: IPPS-A Increment II		DSN: Date Reviewed: 1 December 2020

**Reviews:** I have reviewed this justification and find it adequate to support other than full and open competition.

# **Product Manager:** DSN: Date: 1 December 2020 Signature: 12/1/2020 **Branch Chief:** Signature: Date: 2 December 2020 12/2/2020 **Division Chief:** DSN: Date: 2 December 2020 Signature: 12/2/2020 **Legal Counsel:** DSN: Signature: Date: 2 December 2020

Associate Director:		
Signature:		DSN: Date: 2 December 2020
Advocate for Competition:		
Signature:		DSN: Date: 2 December 2020
Senior Contracting Official:		
Signature:		DSN: Date: 2 December 2020
Program Executive Officer:		
Signature:		DSN: Date: 2 December 2020
	DOS.	

## Justification and Approval for Other than Full and Open Competition

- 1. Contracting Activity: U.S. Army Contracting Command New Jersey
- 2. Description of Action: Program Executive Office Enterprise Information Systems, Program Management Office (PMO), Integrated Personnel and Pay System-Army (IPPS-A) requests approval for a new Firm Fixed Price (FFP) and Cost Plus Fixed Fee (CPFF), sole source contract as a follow-on to Contract Number W15QKN-15-C-0049. The Government anticipates award in November 2021 utilizing Fiscal Year (FY) 2022 Research, Development, Test & Evaluation (RDT&E) funds. In addition, Other Procurement, Army (OPA), and Operation and Maintenance (O&M), Army funds will be used.
- 3. **Description of Supplies/Services:** The purpose of this action is to award a follow-on contract that will provide execution of all remaining IPPS-A Inc II activities following the deployment of Release 3 software required to achieve Inc II Full Deployment and provide Capability Support for all deployed Inc II software.

The objective of this contract is to provide capability support for the deployed baseline software while developing and incorporating integrated pay capabilities and additional capabilities and training and deploying those capabilities to the US Active Component, Army National Guard (ARNG), and Army Reserve. The work to be performed under the contract is outlined in the paragraphs below.

### Release 4 MVS (Integrated Pay Capabilities):

The follow-on contract is required to enable the development and deployment of the Release 4 MVS software. Release 4 will include integrated pay capabilities for all Army Components and will build upon Releases 2 and 3 incorporating lessons learned from the development, testing, and deployment of the Release 2 and Release 3 software. The Release 4 software development requirement will be awarded with FFP and CPFF Contract Line Item Numbers in order to maintain control of cost and schedule, as well as continue to reduce the Army's risk exposure.

Release 4 MVS will enhance the consolidated system by providing integrated pay capabilities to Soldiers in all three Army Components, including those who are deployed. This effort requires the System Integrator (SI) to analyze, design, develop, integrate, test, evaluate, produce, train, deploy, and provide capability support for the Release 4 MVS capabilities which include but are not limited to the functions listed below:

- Allotments
- Allowances
- Base Pay
- Basic Allowance for Housing/Basic Allowance for Subsistence
- Bonuses

- Leave and Earning Statements
- Thrift Savings Plan
- · Disability/Incapacitation Pay

#### Development and Deployment of Early Release 3 Additional Capabilities:

The following four specific Release 3 Additional Capabilities are required to achieve an integrated HR and Pay system. Therefore, the following capabilities will be designed, developed, tested, trained, and deployed separately, but in parallel with Release 4 MVS requirements:

- Talent Management
- Internal Audit Controls
- Archiving
- Strength Management

#### Inc II Additional Capabilities:

Depending on funding levels, the Systems Integrator (SI) will design, develop, test, train, and deploy other Additional Capabilities as system modifications and/or enhancements to the IPPS-A INC II system baseline capabilities during the Capability Support Phase after all software releases are fully deployed. This development effort will occur between FY26-30. The SI will organize the Additional Capabilities (design, development, and test tasks) into distinct fixed price work units categorized into small, medium, and large sizes. The sizes will correspond to the level of work required for each effort. These Additional Capabilities are based on keyHR requirements, including:

- Assignments
- Promotions
- Activity Guide / Guided Self Service (i.e. Life Events)
- Checklist (i.e. In/Out processing, Mobilizations, De-Mobilization, Soldier Readiness Processing)
- Business Intelligence (i.e. HR/Customer Relationship Management Analytics, Profile, Financially Analytics, workflow)
- Retirement Personnel Action Request (PAR)
- Separations PAR
- Transfers PAR
- Customer Relations Model
- Enterprise Learning Management
- Awards (Decorations, Badges, Unit, and State Awards)
- Orders
- MILPAY (Partial & Inbound Defense Joint Military System)
- Benefits
- Physical Profile

- Data Services
- Common Access Card scanning for quick data entry
- Disconnected Operations
- Emergency Accountability

#### Capability Support for Deployed Software:

The SI is required to provide capability support for the deployed HR software baseline (combined Release 2 and Release 3) as well as any additional capabilities deployed throughout the program.

The estimated value of this IPPS-A Inc II follow-on effort is with a period of performance from contract award through November 2031. The anticipated period of performance will be 10 years, consisting of a base period of forty-eight (48) months, with one forty-eight (48) month, and one twenty-four (24) month option periods. The below table reflects the breakout of the base and option periods along with the estimated costs:

Description	Type	POP	Value
Base Period - Release 4 MVS Design  Base Period – Training & Deployment and Capability Support	CPFF	1 NOV 2021 –	
Base Period - Release 4 MVS Build and Test  Base Period - Early Release 3 Additional Capabilities	FFP	31 OCT 2025	
Option 1 – Training & Deployment and Capability Support	CPFF	1 NOV 2025 –	
Option 1 - Additional Capabilities	FFP	31 OCT 2029	
Option 2 - Capability Support	CPFF	1 NOV 2029 –	
Option 2 - Additional Capabilities	FFP	31 OCT 2031	
Total			

**4. Authority Cited:** Title 10 United States Code Section 2304(c)(1), as implemented by Federal Acquisition Regulation (FAR) 6.302-1(a)(2)(iii)(A) and (B) – "Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements."

5. Reason for Authority Cited: As described at FAR 6.302-1(a)(2)(iii)(A) and (B), for Department of Defense (DoD), National Aeronautics and Space Administration, and the Coast Guard, services may be deemed to be available only from the original source in the case of follow-on contracts for the continued provision of highly specialized services when it is likely that award to any other source would result in substantial duplication of cost to the Government that is not expected to be recovered through competition or unacceptable delays in fulfilling the agency's requirements.

On 18 May 2015, Contract

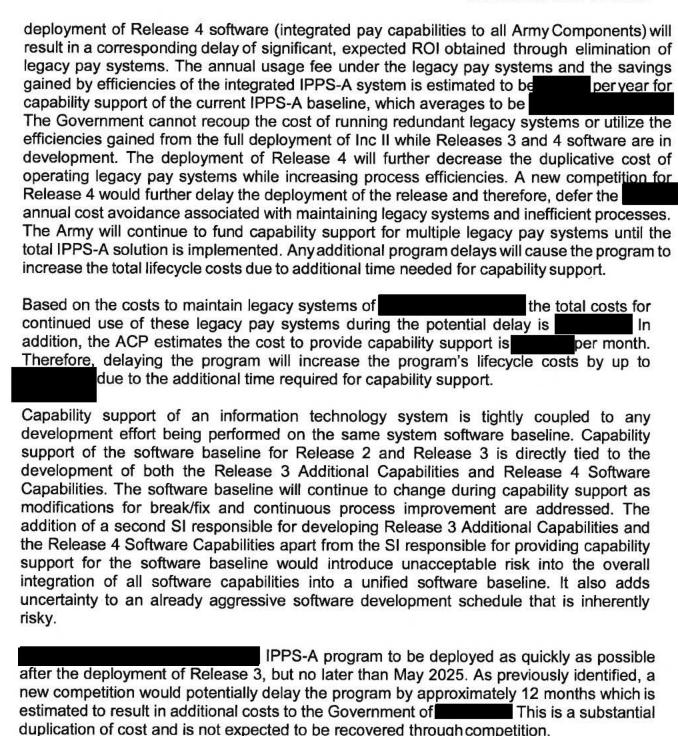
was awarded

to perform as the System Developer/Integrator for IPPS-A Inc II to provide services to design, develop, integrate, test, train, deploy, and provide capability support for IPPS-A Inc II.

The IPPS-A Inc II development and deployment strategy, as modified, divides required functionality into three discrete releases: Release 2 (Minimum Viable Solution (MVS) Human Resources (HR) to the ARNG, Release 3 (MVS HR to the US Active Component, ARNG, and Army Reserve), and Release 4 (integrated Pay capabilities to all Army Components). Release 2 and Release 3 services have been performed under the above referenced contract. Release 2 having been fully deployed in March 2020 to all 50 states and four territories and Release 3 track to deploy to the Total Force in December 2021.

A new, competitively-awarded contract would delay the deployment of Release 4 MVS software by at least 12 months, shifting the deployment date from May 2025 to May 2026. This unacceptable delay of 12 months is based upon the need for any source other than to on-board new personnel, train new personnel on the current software baseline and sustainment processes, and transition into design of Release 4 MVS. The process of transitioning from an incumbent to a new vendor is a complex one and requires any new vendor to have a thorough understanding of the existing deployed IPPS-A solution before beginning design of new capabilities that must be integrated into the deployed solution. During primary market research, the responding vendors estimated it would take them less than 12 months to transition into the IPPS-A program, however secondary market research, which analyzed actual transition timelines of some of these same vendors on actual contracts, revealed that their responses were overly optimistic. That secondary market research revealed that it took programs of less size and complexity than IPPS-A approximately 12 months or more just to transition capability support of an existing deployed solution. The IPPS-A Inc II follow-on contract effort will not only require a new SI to assume capability support of the current deployed system, it also will require simultaneous design of multiple parallel efforts (Release 4 MVS and Early Release 3 Additional Capabilities), which will further increase the likelihood of significant delays to the deployment of Release 4 MVS. These potential delays are in addition to the already expected delays caused by the SI transition period of 12 months.

On 18 February 2020, the Assistant Secretary of the Army (Financial Management and Comptroller) approved the IPPS-A Inc II Army Cost Position (ACP). The ACP identified the annual cost paid by the Government to provide capability support for the deployed software following Inc II full deployment is per month. IPPS-A's largest return on investment (ROI) will occur only after the deployment of Release 4. Any delays to the



Assuming a 15 March 2021, solicitation release, a competitive award to 1 November 2021, would be approximately 7 1/2 months. Presuming a source other than selected for award of a new competitive contract, unacceptable delays to the program would occur post award. The estimated 12 months includes the time necessary to on-board new personnel, train new personnel on the current software baseline and

sustainment processes, and transition into design of Release 4 MVS. Maintaining the current SI to deliver and provide capability support for a fully integrated personnel and pay system to the Total Force Army is the only way to meet the Army Senior leaders' directed timeline for this program. The delays limit the program's ability to provide state-of-the-art HR and Talent Management capabilities to the Army Total Force.

#### 6. Efforts to Obtain Competition:

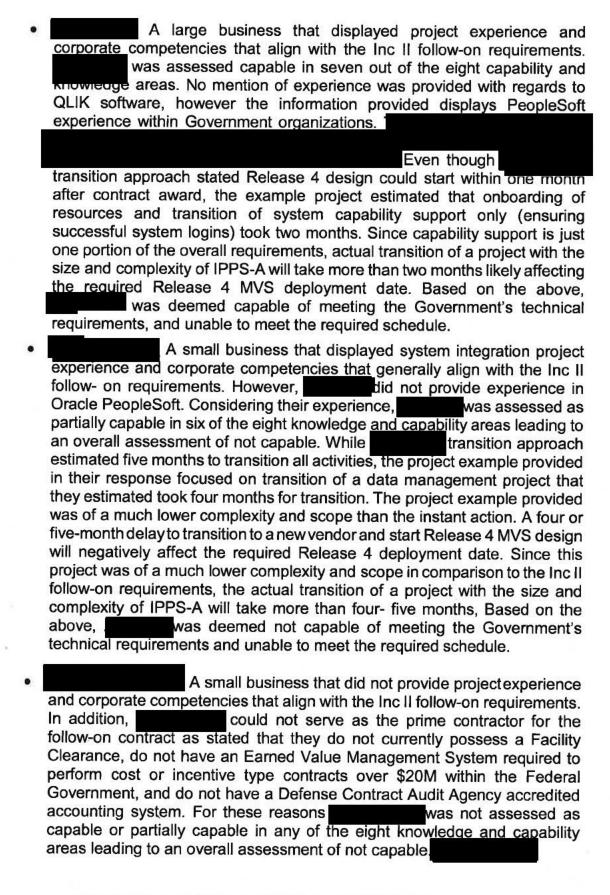
- a. Effective competition: Based upon the information stated in paragraph 5 above, effective competition is not anticipated for this follow-on effort. The Contracting Officer shall publish the notices required by FAR 5.201 and any bids or proposals received shall be considered.
- b. Subcontracting Competition: Subcontracting competition will be achieved by the prime contractor by publicizing subcontracting opportunities, as appropriate, in accordance with FAR 5.206. Competition at the subcontractor level will be encouraged through publication of the synopsis required by FAR 5.201 and the contract will include FAR 52.244-5 "Competition in Subcontracting", FAR 52.219-8 "Utilization of Small Business Concerns" and FAR 52.219-9 "Small Business Subcontracting Plan (DoD Contracts)".
- **7. Actions to Increase Competition:** A Sources Sought notice was posted via betaSAM.gov on 1 April 2020 with responses due by 1 May 2020. This contract will conclude all IPPS-A Inc II requirements. No future related requirements are foreseen as the intention of this contract is to provide capability support for the program until it transitions capability support to the Army Shared Service Center under the Army Communications-Electronics Command (CECOM) in FY30/31. At that point, CECOM will provide the system integration expertise for any future IPPS-A requirements. Should future IPPS-A requirements arise prior to FY30/31, they will be competed in accordance with FAR 6.1 and other applicable DFARS and AFARS clauses.
- 8. Market Research: In accordance with Defense Federal Acquisition Regulation Supplement (DFARS) 205.205-71, DFARS 206.302-1(d), and DFARS Procedures, Guidance, and Information 206.302-1(d), Army Contracting Command New Jersey posted Request for Information (RFI) Number W15QKN-20-RFI-0081 via betaSAM.gov on 1 April 2020 with responses due by 1 May 2020 to which nine responses were received. In addition to the posting, market research was performed by the PMO from April 2020 August 2020. The PMO utilized various techniques that included contacting knowledgeable organizations within the Government with similar requirements, programs, or systems, reviewing previously completed Market Research of similar contracting efforts, conducting market surveys, and reviewing available Army, General Services Administration (GSA) and other schedules for applicability. Schedules reviewed include GSA Professional Services Schedule, GSA Alliant 2, Computer Hardware Enterprise Software and Solutions, Information Technology Enterprise Solutions-3 Services, and National Institutes of Health (NIH) Chief Information Officer-Solutions and Partners 3 (CIO-SP3).

Subsequent inquiries were submitted to all nine respondents to ascertain their ability to meet the Government's compressed schedule for Release 4 MVS deployment as mandated by the Since the has mandated that IPPS-A Inc II Release 4 MVS must be deployed on or before May 2025, already compressed timelines for Release 4 MVS design, development, and deployment cannot be delayed any further. In order to meet the guidance, it is imperative that no time is lost after contract award and that a vendor start the Release 4 design no later than 2<sup>nd</sup> Quarter FY22 The PMO determined that it was important to ask each vendor to estimate and provide project examples for the transition timelines to assume all responsibilities for the Inc II system including starting Release 4 MVS design. Technical information submitted by all nine responses received from the Sources Sought Notice provided sufficient information for analysis, as explained below.

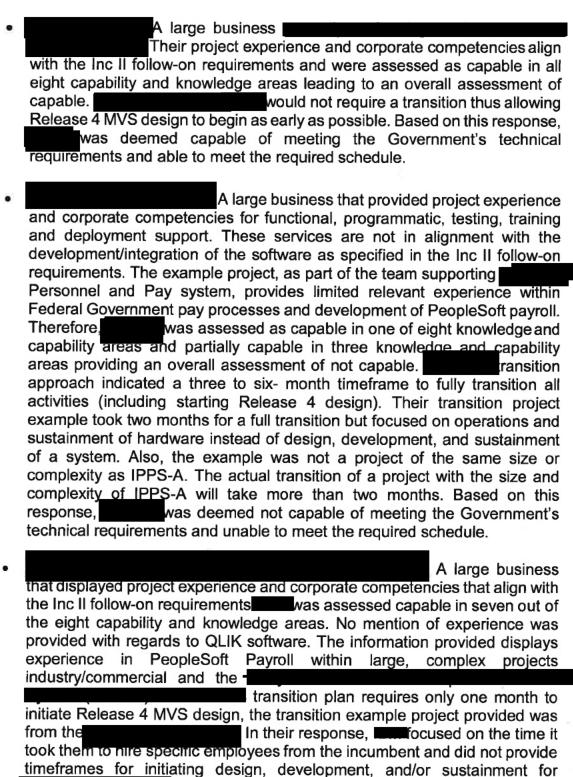
Respondents were assessed as either capable (for both large and small, complex task orders), partially capable (for small or less complex task orders), or not capable across eight knowledge and capability areas as noted in Table 1 below. In addition, respondents were assessed as to their ability to meet the mandated Release 4 MVS deployment date while simultaneously developing the early development of Release 3 capabilities and providing capability support.

		1) Capabilities and Knowledge						
	PeopleSoft Payroll Design, Development, Training, Deployment	PeopleSoft HR Design, Development, Training, Deployment	DODFMR and Payroll Laws, Regs, etc.	Supporting a deployed solution baseline	Developing and integrating enhancements and new HR capabilities into an existing deployed solution	Experienced in major data conversions	Experienced integrating multiple, major software releases with disparate scopes	Experience Designing, developing, testing, training, deploying QLIK
			x			il cresi		x
	х	x	x	x	x	×	×	x
				х		x	×	x
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	×	×	x					X
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The capability asse		Capable (	for Large		nall Comple or Less Com			Only)
		Not Capa						

Table 1: RFI Response Assessment Matrix



transition plan estimated it would take 18 months to initiate the first Release 4 and Additional Capabilities design milestones. Based on this response, was deemed not capable of meeting the Government's technical requirements and unable to meet the required schedule.



CONTROLLED UNCLASSIFIED INFORMATION (See FAR 2.101 and 3.104-4)

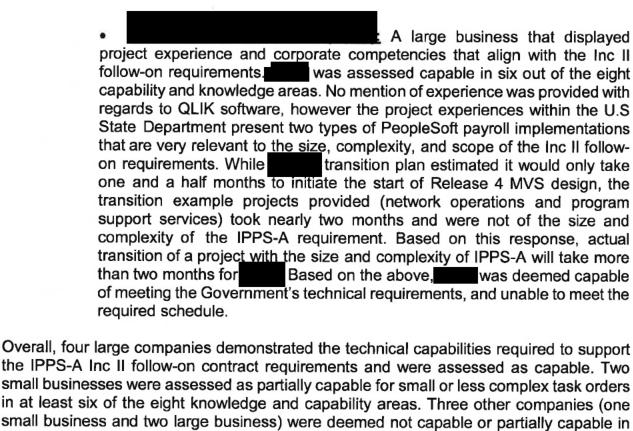
one-month transition plan would seem to fit IPPS-A

required timeline for Release 4 MVS, further data collected during secondary market research depicts a transition that took much longer than one month before

As a was deemed capable of meeting the Government's technical requirements, and unable to meet the required schedule.

A small business that did not competencies that align with the Inc II follow-on requirements. In addition, could not serve as the prime contractor for the follow-on contract as they stated that they do not have an Earned Value Management System required to perform cost or incentive type contracts over \$20M within the Federal Government, and do not have a Defense Contract Audit Agency accredited accounting system. was assessed as partially capable to perform in four of eight knowledge and capability areas. It transition plan estimated it would take 18 months to initiate the first Release 4 and Additional Capabilities design milestones. An 18-month transition timeline would negatively affect the Release 4 MVS schedule. Based on this response, was deemed not capable of meeting the Government's technical requirements and unable to meet the required schedule.

A small business that displayed relevant project experience and corporate competencies that generally align with the Inc II follow-on requirements. However, the relevant experience provided by focused on pilots and proof of concepts with no large scale implementation and no experience in training and deployment. Considering their experience, was assessed as partially capable in seven of the eight knowledge and capability areas and capable in one knowledge and bility area leading to an overall assessment of not capable. While transition plan estimates they would have the necessary team onboard to start Release 4 MVS design within three months, the transition example provided took six months to transition all responsibility for system development from the incumbent contractors. The project example provided was of a much lower complexity and scope and a four or five- month delay to transition to a new vendor and start Release 4 MVS design will negatively affect the required Release 4 MVS schedule. Since this project was of a much lower complexity and scope in comparison to the Inc II follow-on requirements, the actual transition of a project with the size and complexity of IPPS-A will take more than four-five months. As a result, deemed not capable of meeting the Government's technical requirements and unable to meet the required schedule.



Overall, four large companies demonstrated the technical capabilities required to support the IPPS-A Inc II follow-on contract requirements and were assessed as capable. Two small businesses were assessed as partially capable for small or less complex task orders in at least six of the eight knowledge and capability areas. Three other companies (one small business and two large business) were deemed not capable or partially capable in at least five of the knowledge and capability areas. Of the four companies assessed as capable, it was determined that only one company could meet the mandated deployment schedule for Release 4 MVS. The other three vendors assessed as capable of performing the Inc II follow-on contract requirements did not provide project experience that displayed their ability to quickly transition and initiate the Release 4 MVS design while transitioning responsibility for system capabilitysupport and initiating design for the four Early Release 3 Additional Capabilities. While the market research found that there are vendors capable of performing the IPPS-A Inc II follow-on requirements, the expected delay each would incur beyond the mandated deployment date of May 2025 prohibits the Government from pursuing a new competitive contract.

The PMO also had in-depth discussions with knowledgeable personnel regarding the following programs that have a similar degree of complexity and intended outcomes as the instant action:

The lessons gained,

were applied in determining the path forward for the instant action:

 Pre-Award lesson learned – Ensure your PWS is very specific and engage with industry as early as possible. The better understanding industry has of the Government's requirements the better the potential for receipt of higher quality proposals potentially reducing the evaluation/discussion process of the source selection.

During secondary market research, the IPPS-A PMO collected information that displayed the delays during transition from the existing SI to a new SI. In all cases where actual transition timelines were available, this transition took much longer than originally planned. As possibly the worst-case scenario, the transition of the contract led to delays of multiple years. Using this information as a guide, there is a strong possibility that the combination of the timeline for transitioning to a new vendor through a new competitively awarded contract (twelve months) and the potential for protest (four months) will likely delay the start of the Release 4 MVS design by at least 16 months. These delays are unacceptable

9. Interested Sources: To date, no other sources have written to express aninterest.

#### 10. Other Facts:

- a. Procurement History:
  - 1) W15QKN-15-C-0049, Modification P0062. Awarded 22 NOV 2019.
  - 2) Sole Source.
  - 3) FAR 6.302-1.
  - 4) In parallel with the Release 3 software development and testing, the Government will pursue a separate competition for the Release 4 design, development, testing, and deployment. The new contract will also include continued sustainment for Releases 2 and 3, which will have been deployed by that point. Due to direction from the to deploy Release 4 MVS on or before May 2025, a separate competition for Release 4 is no longer feasible. In order to meet the guidance, it is imperative that no time is lost after contract award and that the SI start the Release 4 design no later than 2<sup>nd</sup> Quarter FY22. Due to the already compressed timelines for Release 4 MVS, the start of design cannot be delayed by the risks of delay caused by a separate competition and transition to a newSI.
  - 5) N/A
  - 6) No unusual patterns existed in the procurement history.
  - 7) A justification was approved on 26 SEPT 2019 for a re-baseline executed under Modification P0062.
  - (1) W15QKN-15-C-0049, Modification P00044. Awarded 1 OCT 2018.
  - (2) Sole Source.
  - (3) FAR6.302-1.
  - (4) Inc II Program has yet to reach the post development capability support phase, however, it is the Government's intent to solicit this phase using full and open competition.
  - (5) N/A
  - (6) No unusual patterns existed in the procurement history.
  - (7) A justification was approved on 18 December 2017 for additional training, deployment and capability support efforts which were impacted as a result of a program re-baseline executed under Modification P00006.

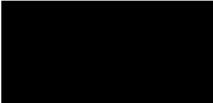
- (1) W15QKN-15-C-0049. Awarded 18 May 2015.
- (2) Full and Open Competition.
- (3) N/A
- (4) N/A
- (5) This contract was a direct follow on to the previous contract, W15QKN-15-C-0003, which was terminated for the convenience of the Government. All offers received for W15QKN-15-C-0003 were re-evaluated and awarded to the original awardee under W15QKN-15-C-0049.
- (6) No unusual patterns existed in the procurement history.
- (7) No J&As were issued prior to this acquisition.
- (1) W15QKN-15-C-0003. Awarded 29 DEC 2014.
- (2) Full and Open Competition.
- (3) N/A
- (4) N/A
- (5) The contract was awarded on 29 December 2014 but was subsequently protested. A termination for the convenience of the Government was issued and the contract was cancelled. A re-evaluation of the proposals was performed and Contract W15QKN-15-C-0049 was issued.
- (6) No unusual patterns existed in the procurement history.
- (7) No J&As were issued prior to this acquisition.
- b. Other Facts: N/A

11. Technical Cert	tification: I certify that the	supporting data unde	r my cognizance which
	justification are accurate ar	nd complete to the be	st of my knowledge and
belief.			



**12. Requirements Certification**: I certify that the supporting data under my cognizance which are included in the justification are accurate and complete to the best of my knowledge and belief.





13. Fair and Reasonable Cost Determination: I hereby determine that the anticipated cost to the Government for this contract action will be fair and reasonable. This determination will be made using the Independent Government Estimate along with cost/price and technical analysis. As part of this basis, certified cost and pricing data will be required.

Title:		
14. Contracting Officer Cer to the best of my knowledge	that this justification	s accurate and complete
Nam Title:		

#### **Approval**

Based on the foregoing justification, I hereby approve the procurement of a new follow-on contract for Integrated Personnel and Pay System – Army (IPPS-A) Increment II (Inc II), Release 4 Minimum Viable Solution (MVS), Training and Deployment, IPPS-A Inc II Capability Support, and Inc II Additional Capabilities on an Other than Full and Open Competition basis pursuant to the authority of Title 10, United States Code (U.S.C.), Section 2304(c)(1), as implemented by Federal Acquisition Regulation (FAR) 6.302-1(a)(2)(iii)(A) and (B), "Only One Responsible Source and No Other Suppliers or Services Will Satisfy Agency Requirements." The total value of this action is with a period of performance of 10 years, consisting of one, four-year period; one, four-year period; one, four-year period; one four-year option period; and one, two years action period. The

with a period of performance of 10 years, consisting of one, four-year base period; one, four-year option period; and one, two-year option period. The approval is subject to availability of funds, and provided that the services and property herein described have otherwise been authorized for acquisition.

17 Dec 2020 Date

