

JUSTIFICATION REVIEW DOCUMENT

DECA CONTROL NUMBER: HQC007-12-28
PURCHASE REQUEST NUMBER: HQCAAA-1348-2221000

Description of Acquisition: Renewal of Software Maintenance Support for the Defense Commissary Agency's (DeCA) Micro Focus Application.

Statutory Authority: 10 U.S.C. 2304(c) (1) as implemented by FAR 6.302-1(b) (2), Only one responsible source and no other supplies or services will satisfy agency requirements.

Estimated Contract Amount:

Prepared by:	Bilal Kayani <i>BK</i> Phone: (804) 734-8000 Ext: 86184	Contract Specialist Date: <u>2/2/2012</u>
Technical:	<i>Bernie Wooten</i> Stan Ferguson <i>SW</i> 1	Requirements Office Date: <u>2/3/2012</u>
BEIMG REP	Debbie Emory <i>DE</i>	IT Specialist Date: <u>2/3/2012</u>
PCO:	Rita W. Jackson <i>RWJ</i> Phone: (804) 734-8000 Ext: 48199	Contracting Officer Date: <u>2/3/2012</u>

Signatures Are Required Below:

REVIEWS: I have reviewed this J&A and find the justification adequate to support other than full and open competition.

Program Manager:	Stan Ferguson	
	Signature: <i>Bernie Wooten acting for Stan Ferguson</i>	Date: <u>2/3/2012</u>
Legal Counsel:	<u>James F Hayes</u> (Printed Name)	
	Signature: <i>James F Hayes</i>	Date: <u>02/06/12</u>
Competition Advocate:	Melissa Rios	
	Signature: <i>Melissa Rios</i>	Date: <u>2/6/12</u>

JUSTIFICATION FOR OTHER THAN FULL AND OPEN COMPETITION

DECA CONTROL NUMBER: HQC007-12-28

- 1. REQUIRING OFFICE and CONTRACTING AGENCY**
 Defense Commissary Agency (DeCA)
 1300 E Avenue
 Fort Lee, VA 23801-1800

Requiring Activity: Information Technology Directorate, Technology Enhancement Branch (BEITS)

Contracting Activity: Store Services Support Division, Information Technology Branch (LEASI)

2. NATURE/DESCRIPTION OF ACTION(S). This justification for other than full and open competition will result in award of a firm fixed price purchase order for the procurement of Renewal Software Maintenance Support for DeCA's Micro Focus ACUCOBOL license which is used to support DeCA's Interactive Business System (DIBS).

3. DESCRIPTION OF SUPPLIES/SERVICES. Renewal of Software Maintenance Support for Micro Focus Licenses.

CLIN	Base Year - Description	S/N	QTY	TYPE
0001	ACU4GL for Oracle Support HP Itanium running HP-UX 11.31 64 Bit Version 8.1.0	399897	1,200	Renewal
0002	ACU4GL for Oracle Support HP Itanium running HP-UX 11.31 64 Bit Version 8.1.0	399905	20	Renewal
0003	ACU4GL for Oracle Support HP Itanium running HP-UX 11.31 64 Bit Version 8.1.0	399907	20	Renewal
0004	ACU4GL for Oracle Support HP Itanium running HP-UX 11.31 64 Bit Version 8.1.0	399909	20	Renewal
0005	ACUCOBOL-GT Runtime Support HP Itanium running HP-UX 11.31 64 Bit Version 8.1.0	399896	1,200	Renewal
0006	ACUCOBOL-GT Runtime Support HP Itanium running HP-UX 11.31 64 Bit Version 8.1.0	399904	20	Renewal
0007	ACUCOBOL-GT Runtime Support HP Itanium running HP-UX 11.31 64 Bit Version 8.1.0	399906	20	Renewal
0008	ACUCOBOL-GT Runtime Support HP Itanium running HP-UX 11.31 64 Bit Version 8.1.0	399908	20	Renewal
0009	AcuConnect-Thin Client Support HP Itanium running HP-UX 11.31 64 Bit Version 8.1.0	448165	20	Renewal
0010	ACUCOBOL-GT Dev Sys Support HP Itanium running HP-UX 11.31 64 Bit Version 8.1.0	2126311	10	Renewal

0011	AcuConnect-Thin Client Support HP Itanium running HP-UX 11.31 64 Bit Version 8.1.0	2209702	1,200	Renewal
0012	AcuConnect-Thin Client Support HP Itanium running HP-UX 11.31 64 Bit Version 8.0.0	2158284	20	Renewal
0013	AcuConnect-Thin Client Support HP Itanium running HP-UX 11.31 64 Bit Version 8.0.0	2158285	20	Renewal
POP: 02/20/2012 – 01/31/2013				

CLIN	Opt Year 1 - Description	S/N	QTY	TYPE
1001	ACU4GL for Oracle Support HP Itanium running HP-UX 11.31 64 Bit Version 8.1.0	399897	1,200	Renewal
1002	ACU4GL for Oracle Support HP Itanium running HP-UX 11.31 64 Bit Version 8.1.0	399905	20	Renewal
1003	ACU4GL for Oracle Support HP Itanium running HP-UX 11.31 64 Bit Version 8.1.0	399907	20	Renewal
1004	ACU4GL for Oracle Support HP Itanium running HP-UX 11.31 64 Bit Version 8.1.0	399909	20	Renewal
1005	ACUCOBOL-GT Runtime Support HP Itanium running HP-UX 11.31 64 Bit Version 8.1.0	399896	1,200	Renewal
1006	ACUCOBOL-GT Runtime Support HP Itanium running HP-UX 11.31 64 Bit Version 8.1.0	399904	20	Renewal
1007	ACUCOBOL-GT Runtime Support HP Itanium running HP-UX 11.31 64 Bit Version 8.1.0	399906	20	Renewal
1008	ACUCOBOL-GT Runtime Support HP Itanium running HP-UX 11.31 64 Bit Version 8.1.0	399908	20	Renewal
1009	AcuConnect-Thin Client Support HP Itanium running HP-UX 11.31 64 Bit Version 8.1.0	448165	20	Renewal
1010	ACUCOBOL-GT Dev Sys Support HP Itanium running HP-UX 11.31 64 Bit Version 8.1.0	2126311	10	Renewal
1011	AcuConnect-Thin Client Support HP Itanium running HP-UX 11.31 64 Bit Version 8.1.0	2209702	1,200	Renewal
1012	AcuConnect-Thin Client Support HP Itanium running HP-UX 11.31 64 Bit Version 8.0.0	2158284	20	Renewal
1013	AcuConnect-Thin Client Support HP Itanium running HP-UX 11.31 64 Bit Version 8.0.0	2158285	20	Renewal
POP: 02/1/2013 – 01/31/2014				

Base period of performance: February 20, 2012 – January 31, 2013 .

Option Year One: February 1, 2013 – January 31, 2014 -

Reinstatement Fee: January 1, 2012 – February 19, 2012
 A) Lapsed Period (I.P):
 B) 20% LP: :

The overall estimated value, base plus one option and the reinstatement fee is

Out-year pricing incorporates an increase of 10%, which is currently the accepted inflation factor for this type of commodity.

4. IDENTIFICATION OF STATUTORY AUTHORITY. 10 U.S.C. 2304(c)(1) as implemented by FAR 6.302-1(b)(2). The existence of limited rights in data, patent rights, copyrights, or secret processes; the control of basic raw material; or similar circumstances, make the supplies and services available from only one source.

5. DEMONSTRATION OF CONTRACTOR'S UNIQUE QUALIFICATIONS.

In 1997, DeCA selected ACUCOBOL software developed and distributed by ACUCORP, Inc. (now Micro Focus) as the application utilized to implement the DIBS design which would be required to provide an interface with DeCA's existing Oracle database.

DeCA manages commissary operations worldwide for the Department of Defense (DoD). These operations are supported with various corporate and resource management systems using commercial-off-the-shelf, government-off-the-shelf, and in-house developed applications. This software application supports the Agency's DIBS System. The DIBS System contains 1,000 COBOL programs consisting of approximately 10 million lines of code. DIBS is a legacy system and will be replaced by the Enterprise Business System (EBS), which will minimize the amount of new development to existing legacy systems. While the EBS requirement is being developed, DeCA must maintain and sustain the DIBS legacy system to include maintenance support. Additionally, DeCA must upgrade to the next version of ACUCOBOL to meet the DoD Information Assurance and the Agency Oracle Platform requirements. These upgrades are covered under the maintenance support.

15 years later, the Micro Focus ACUCOBOL product is embedded in the DIBS design and is required to ensure that the DIBS system remains operational in support of DeCA's mission. Without the current version of ACUCOBOL, DeCA's core business sustainment operations (commissaries around the world 24x7) would be in jeopardy. Any downtime associated with this application could cause major operational issues at the store level. The stores would lose their ability to order and receive product, perform product inventories, adjust product catalogs and make timely pricing adjustments.

In addition, to switch to another compiler at this time would not be cost effective. The DIBS application contains approximately 10 million lines of code. Assuming the cost to rewrite/convert code is \$1.25 per line, the approximate cost to rewrite the entire DIBS system would be approximately \$12,500,000 without any enhancements. If DeCA had \$12.5 million dollars to rewrite DIBS, in excess of 12 months would be required to complete the project. The retail grocery industry continues to grow and change daily with new technology. The DIBS system cannot wait 12 months or more to comply with the new industry or Government mandated enhancements.

No other commercially available vendor or product that works specifically with the DIBS software application has the capability to meet this requirement.

6. FEDBIZOPPS (FBO) ANNOUNCEMENT/POTENTIAL SOURCES. Based on the information identified in paragraph five (5) above, it is the agency's intent to solicit from one responsible source. In accordance with FAR Part 6.305, this sole source award will be posted to FBO not later than 14-days after issuing the award.

7. DETERMINATION OF FAIR AND REASONABLE COST. In accordance with FAR 8.404, 12.209, 13.106-1 (2), and 14.408-2, I hereby determine that the anticipated cost or price to the Government for this contract action will be fair and reasonable. The Price Reasonableness Memorandum detailing the Fair and Reasonable Price Determination will be included in the contract file documentation.

8. MARKET RESEARCH.

DeCA conducted limited market research based on the letter from the manufacturer stating that they have no authorized service resellers for this application.

However, DeCA personnel attend trade shows and vendor product presentation each year to determine if a commercial off the shelf (COTS) product has been developed that could replace DIBS. To date, no COTS product has been identified that meets the Government's unique requirements for operating a world-wide retail grocery chain on military facilities while adhering to Congressional mandates and DoD security guidance.

While Micro Focus has authorized resellers for its products, it has certified that they are the sole servicer of their two proprietary software applications.

The proposed purchase order will be awarded to:
Micro Focus
400 Interstate North Parkway, Suite 1050
Atlanta, GA 30339, 770-661-3563.

9. ANY OTHER SUPPORTING FACTS. Not Applicable

10. LISTING OF INTERESTED SOURCES: Not Applicable

11. ACTIONS TAKEN TO REMOVE BARRIERS TO COMPETITION.

The information technology industry is constantly changing and improving. DeCA will continue to search for products with new capabilities that adhere to the mandatory Department of Defense (DoD) and agency mandates regarding enterprise architecture (DoDEA). DeCA will also communicate with other DoD agencies to search for better products at competitive prices. DeCA is continually communicating with these agencies through joint cases, task forces, and technical working groups and will keep assessing better and more business sound products that meet the DoDEA mandate. As legislation and regulatory changes mandated by DOD change and influence the DoD and their information technology requirements, the commercial market place's ability to stay abreast of those changes and provide viable solutions will also change.

12. TECHNICAL/REQUIREMENTS CERTIFICATION: "I certify that the supporting data under my cognizance which are included in the J&A are accurate and complete to the best of my knowledge and belief".

NAME: Stan Ferguson

SIGNATURE: Dennis L. Horton, acting

TITLE:

DATE 2/3/2012

CONTRACTING OFFICER CERTIFICATION:

"I have reviewed this justification and find it to be accurate and complete to the best of my knowledge and belief. Since this justification does not exceed \$650,000.00 and pursuant to the authority of 10 U.S.C. 2304(c)(1) provided that funds are available or will be made available and provided that the services and/or supplies herein described have otherwise been authorized for acquisition, this review serves as approval."

NAME: Rita W. Jackson

SIGNATURE: Rita W. Jackson

TITLE: Chief, IT Procurement Branch/
Contracting Officer

DATE: 2/3/2012

ALL QUESTIONS REGARDING THIS JUSTIFICATION AND APPROVAL ARE TO BE REFERRED TO THE CONTRACTING OFFICER Rita W. Jackson (804) 734-8000 x48199

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