



DEPARTMENT OF THE NAVY
NAVSUP FLEET LOGISTICS CENTER NORFOLK -
MECHANICSBURG
5450 CARLISLE PIKE
MECHANICSBURG, PA 17055-0788

IN REPLY REFER TO

Control Number 15544

Justification for an Exception to Fair Opportunity
Enterprise Resource Planning (ERP) Supply Chain Management (SCM) Task Order

1. IDENTIFICATION OF THE AGENCY AND CONTRACTING ACTIVITY:

- a. Agency Name: Naval Supply Systems Command Business Systems Center
(NAVSUP BSC)
5450 Carlisle Pike
Bldg. 409
Mechanicsburg, PA 17055-0787
- b. Contracting Activity: Naval Supply Systems Command Fleet Logistics Center
(NAVSUP FLC) Norfolk – Mechanicsburg Office
Contracting Department
5450 Carlisle Pike
Bldg. 407
Mechanicsburg, PA 17055-0788

2. NATURE/DESCRIPTION OF THE ACTION:

This acquisition is conducted under the authority of 10 U.S.C. 2304a through 2304d. This is a sole source action to be awarded as a modification to existing contract N00104-13-D-QA04 Task Order 0004 to the large business identified in paragraph 3 below. The placement of a firm-fixed price order modification is anticipated.

3. DESCRIPTION OF REQUIRED SUPPLIES/SERVICES:

Navy Enterprise Resource Planning (ERP) is an SAP-based system and is the Department of the Navy (DON) financial information technology system of record. Deployment implementations have concluded and the Program is now in its sustainment phase, although efforts continue to expand and improve functionality. NAVSUP BSC has been assigned to provide sustainment lifecycle management services, stabilization, optimization, and audit readiness preparedness services. Those services include design, customization, workbench creation, system administration, and data management for Navy Finance, the Office of Financial Operations (FMO) Audit, and Workforce Management Business Integration services in the sustainment of Navy ERP.

Accenture is currently performing SAP business integration services in support of the following Navy ERP efforts:

- Tier 3 Trouble Ticket and Break/Fix Resolution
- System Change Requests (Defect, Design Change, Engineering Change Proposal (ECP))
- Interface monitoring and data issue resolution
- Quarterly releases
- Software Upgrades
- Client set-up and configuration
- Production operation tasks

Navy ERP/SAP modules and capabilities within scope:

- Materials Management/Procurement
- Inventory Management/Warehouse Management
- Environmental Health and Safety
- Supply Chain Management
- Order Fulfillment

This request is to compensate for the additional work that was discovered as the project unfolded during the initial planning phase. As the sustainment work was undertaken, additional clarification was given on the software deliverables that added more of the current deliverables stated in the contract. The type of work remains the same but the quantity of deliverables has increased as more information was collected during the project.

During the first few months Accenture and the Government became more familiar with FMO Audit and Sustainment tasks that were requested by customers. The project has been hampered by multiple challenges (limited documentation, limited organic expertise, myriad of requirements clarification, new programming standards, etc.) but has made excellent progress in locking down the standard process for executing FMO Audit project deliverables.

Accenture is now in the process of delivering several requirements that necessitate additional resources to make those tasks a success.

The period of performance is March 16, 2015 – September 3, 2015. [REDACTED] [REDACTED] FY15 Operations and Maintenance, Navy (O&M,N) funding will be utilized to fund this requirement. Funding currently on the task order is Navy Working Capital Funds (NWCF).

4. IDENTIFICATION OF THE EXCEPTION TO FAIR OPPORTUNITY:

The statutory authority which permits not providing each awardee a fair opportunity to be considered for each order exceeding \$3,000 issued under a multiple award contract is 10 U.S.C. 2304c, as implemented by Federal Acquisition Regulation (FAR) 16.505(b)(2)(i)(C) – 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 in which all awardees were given a fair opportunity to be considered for the original order.

5. DEMONSTRATION OF CONTRACTOR’S UNIQUE QUALIFICATIONS:

Accenture has a unique understanding of the requirements having worked them with the customers for the past 6 months. This knowledge is critical to continue toward the successful delivery of Audit required mandates. These deliverables for August FY15 show as overdue on the current project plan and without additional resources will be delinquent. If these delivery dates are missed, then Navy ERP will be non-compliant and runs the risk of being shut down. The shutdown of Navy ERP will lead to millions of dollars lost weekly and impact the Navy mission in total. The first set of deliverables are required by August of FY15 and are the linchpin in all deliverables that follow. If this date is missed, all follow on deliverables will push out and the required FY17 date for all deliverables mandated by Congress will be at risk.

Accenture was fully involved in the initial steps of analysis, design, and the early development of the requirements and now possesses the system knowledge that will allow the team to maintain momentum towards meeting our August FY15 delivery date. By leveraging Accenture’s experience on this project, NAVSUP BSC avoids costly and time-consuming knowledge transfer delays and reaps the benefits of team continuity to accomplish FMO Audit project deliverables.

The other unique qualification that Accenture possesses is the ability to take action immediately as the standard 2 month turn around for onboarding new contractors does not apply. The vendor already has system access which is required to accomplish the deliverables. Another vendor would take a minimum of 2 months before they could begin to be effective on the project. This additional time will put the project at risk of not meeting the August FY15 delivery date.

A modification to the existing task order that is awarded to Accenture is requested to continue the design, customization, workbench creation, system administration, and data management for FMO Audit requirements. This will position BSC to 1) avoid the inherent downtime/work stoppage of on-boarding a new contractor; 2) avoid delay of scheduled deliverables; 3) leverage their in-depth program knowledge and expertise of this extensive project without interruption; 4) continue execution of the FMO Audit tasks and not have to re-familiarize the contractor with all planning efforts.

Accenture is the contractor of record for the start of this requirement and now possesses the extensive background and knowledge to implement the standardized business process for FMO Audit deliverables. Accenture has conformed to the contract requirements, specifications and standards; providing their expertise upon all FMO Audit deliverables required for the Navy to be Audit compliant as deemed by Congress.

In the ever changing world of technology, Accenture continues to show adaptability in meeting requirements, providing expertise in software and hardware; complying with security and information assurance policies and performs task in a timely manner and on schedule. Accenture has current credentials and Common Access Cards for accessing Navy Networks. Any change in contractor support services (CSS) at this time would 1) have a very detrimental impact completing current and future conversion efforts; 2) jeopardize the follow-on goal of in-sourcing application(s) and 3) be disadvantageous to the Navy and DoD in re-engineering time and expense.

6. DETERMINATION OF BEST VALUE:

The multiple award contract (MAC) established labor rates for the labor categories necessary to perform the tasks associated with this requirement and determined those rates to be fair and reasonable. The FLC Norfolk, Code 215 Mechanicsburg, Contracting Officer will determine, using the procedures in FAR 15.4, that the order represents the best value to meet the Government's needs. The contracting officer may, also, seek additional discounts before placing the order.

7. DESCRIPTION OF MARKET RESEARCH:

This requirement has been determined to be a sole source to Accenture in order to accomplish additional work discovered after award of the original task order. No additional market research was conducted.

8. OTHER FACTS SUPPORTING THE USE OF AN EXCEPTION TO FAIR OPPORTUNITY:

None.

9. **ACTIONS TO REMOVE BARRIERS TO COMPETITION:**

All future requirements will be handled on a case-by-case basis.

10. **CONTRACTING POINT OF CONTACT:**



Oct 2010

Supply Chain Additional Funds

J&A or LSJ Number 15544

CERTIFICATIONS AND APPROVAL

TECHNICAL/REQUIREMENTS CERTIFICATION

I certify that the facts and representations under my cognizance which are included in this Justification and its supporting acquisition planning documents, except as noted herein, are complete and accurate to the best of my knowledge and belief.

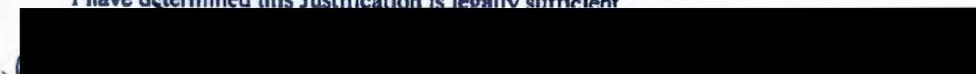
Technical Cognizance:

			11 FEB 2015
Signature	Name (Printed)	Phone No.	Date

			12 FEB 2015
Signature	Name (Printed)	Phone No.	Date

LEGAL SUFFICIENCY REVIEW

I have determined this Justification is legally sufficient

			23 FEB 2015
Signature	Name (Printed)	Phone No.	Date

CONTRACTING OFFICER CERTIFICATION

I certify that this Justification is accurate and complete to the best of my knowledge and belief. To the extent that the J&A/LSJ value is between \$150K and \$650K, the Contracting Officer's signature below also represents

			25 FEB 2015
Signature	Name (Printed)	Phone No.	Date

CONTRACTING ACTIVITY COMPETITION ADVOCATE REVIEW

To the extent that the J&A/LSJ value is between \$650K and \$12.5M, the Competition Advocate's signature below also represents approval of the J&A/LSJ.

CHAMBLEY MARLENE K					4 March 2015
000550630	Signature	Name (Printed)	Phone No.	Phone No.	Date

Date: 2015.03.04 11:06:54 -0500