

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION  
NASA SHARED SERVICES CENTER

LIMITED SOURCE JUSTIFICATION

I recommend that NASA, NASA Shared Services Center (NSSC) compete the Government's requirements with responsible small business value added resellers (VARs) holding GSA Federal Supply Schedule 70 contracts in order to establish a Blanket Purchase Agreement (BPA) to procure SAP software products, maintenance, and services with a period of performance consisting of a one year base with two one year options (i.e., three year contract). The total estimated cost of the BPA is [REDACTED].

See the in-house Government cost estimate (IGCE) below:

(based on NASA Historical SAP Procurements)	
[REDACTED]	[REDACTED]

This BPA will provide a vehicle to procure new and recurring SAP requirements for NASA beginning in the third quarter of FY 15. The establishment of a BPA offers an excellent option for NASA to conveniently and efficiently procure SAP products at a reduced cost. Furthermore, a SAP BPA offers NASA the ability to negotiate improved discounts and satisfy new and reoccurring customer requirements that include SAP Business Objects BI Suite, SAP Business Expert User licenses, SAP Net Weaver BI Accelerator licenses, SAP Productivity Pak, SAP Procurement for Public Sector (PPS), and other SAP business applications that seek to reduce NASA's administrative costs by eliminating repetitive acquisition efforts and greatly reducing procurement lead times. This will ultimately allow the NSSC to be more responsive to NASA's corresponding needs. This BPA will further enable NASA to combine NASA's buying power to obtain advantageous pricing, while simultaneously allowing NASA to centrally track and manage all SAP products and support purchases.

This recommendation is made pursuant to FAR 8.405-6(b), "Items Peculiar to One Manufacturer."

Alternative manufacturers are impractical for the following reasons:

1. Only SAP is capable of satisfying this requirement due to the unique specialized nature of the work. NASA's financial system was designed using SAP software. NASA competitively selected SAP in September, 2000, to be the primary commercial-off-the-shelf (COTS) software vendor for the Integrated Financial Management Program (IFMP), NASA's primary financial system. Without SAP software maintenance, the day-to-day operation of NASA's financial system would be put at an unacceptable risk. Currently SAP licenses support a user base of 10,000 professional users and 291 developer users that constitute NASA's core financial system. Additionally, all NASA Centers leverage the capabilities of the core financial system that support all NASA programs, projects and missions. Without SAP products, all NASA Centers, organizations, programs, projects, and missions would experience unacceptable risks.
2. Only SAP will satisfy the agency's requirement and no other provider can supply a similar integrated service.
3. In the event NASA would be required to select an alternative source to replace the functionality of the SAP products supporting NASA's financial system, such action would adversely impact NASA's ability to meet various mission requirements. The SAP software products in use today are integrated into the NASA financial system that support various missions and organizations

throughout NASA. Besides training personnel to use any such new tools, there would also be a significant and costly migration effort. Such migration efforts could be extremely disruptive to NASA programs that are trying to meet critical milestones.

4. The high amount of risk and increased cost (in excess of ██████████ to replace the current SAP licenses and products that are currently in use supporting NASA financial systems) offset any perceived benefits gained by considering alternative solutions. As such, no other supplies or services will satisfy the agency's requirements. Acquiring alternatives for the current SAP software products in use today would involve the purchase and installation of several products from different vendors to achieve the same basic capability. The integration of these tools would require data import/export utilities and result in a much less productive – and more costly – workflow. Training and investment costs would be substantial, and the communication of research and analysis results both within and outside of NASA would be negatively impacted.

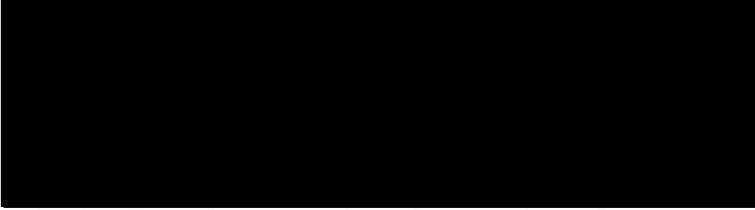
Pursuant to FAR 8.404, "BPAs and orders placed against a MAS, using the procedures in this subpart, are considered to be issued using full and open competition (see 6.102(d)(3)). Therefore, when establishing a BPA (as authorized by 13.303-2(c)(3)), or placing orders under Federal Supply Schedule contracts using the procedures of 8.405, ordering activities shall not seek competition outside of the Federal Supply Schedules or synopses the requirement." However, a Limited Source Justification will be synopsized within 14 days after award pursuant to FAR 8.405-6(a)(2). A copy of the Limited Source Justification will also be posted with the RFQ to e-Buy pursuant to FAR 8.405-6(b)(3)(i)(B).

Pursuant to FAR 8.404 (d), services offered on the schedule are priced either at hourly rates or at a fixed price for performance of a specific task (e.g., maintenance). In this regard, "GSA has already determined the prices of supplies and fixed-price services, and rates for services offered at hourly rates, under schedule contracts to be fair and reasonable. Therefore, ordering activities are not required to make a separate determination of fair and reasonable pricing, except for a price evaluation as required by 8.405-2(d)." Notwithstanding, the NSSC will seek additional pricing discounts pursuant to FAR 8.405-4 before placing any subsequent orders.

Due to the specialized nature of this requirement, there are no known actions which the agency may take to remove or overcome barriers to competition before any subsequent acquisition for such services required. Market research indicates that there will be adequate competition amongst the available and qualified VAR's. SAP and several VARs likewise have the ability to provide quotes for continued SAP maintenance.

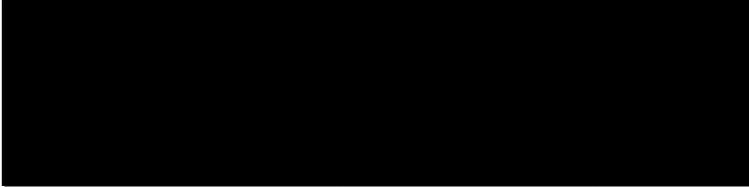
**TECHNICAL CERTIFICATION:**

I hereby certify the facts in this justification and any supporting data used for this justification are accurate



**CONTRACTING OFFICER CERTIFICATION:**

I hereby certify that the above justification is complete and accurate to the best of my knowledge and belief. In addition, I hereby determine that the order represents the best value to the Government consistent with FAR 8.404 (d).



**CONCURRENCE:**

