

Attachment D

HHS Template and Instructions for a General Services Administration Federal Supply Schedule Limited Source Justification

Completion Instructions: HHS has established a standard template for preparation of a Limited Source Justification (LSJ). For Federal Supply Schedule (FSS) acquisitions over the Simplified Acquisition threshold, Operating Divisions (OPDIVs) shall prepare the template in accordance with these completion instructions. *(NOTE: The Project Officer (PO) has responsibility for completing all of the information items included in the template, with any necessary assistance from the cognizant Contracting Officer (CO) and Contract Specialist (CS) -- especially for Items 3.(b), 4., 5., 6., and 8.(b) listed below.*

The instructions for preparing an LSJ are specified in “red” and should be deleted prior to processing the document for review and approval. Also, do not include the completion instructions in the completed document.

A completed LSJ must contain all of the applicable bolded headings in the order specified. Place the required information directly next to, or under, the applicable heading. If a heading does not apply to a specific LSJ, indicate “not applicable” (N/A) next to it. Reference and attach any additional information necessary to support the LSJ.

Limited Source Justification

“Source Selection Information – see FAR 2.101 and 3.104”

1. **Identification of the agency and contracting activity.** Provide the following information:
 - a. **Federal agency and contracting activity. HHS.** Enter the OPDIV name after “HHS.”
 - b. **Sponsoring organization.** Specify the name of the OPDIV’s major subcomponent organization (such as Institute, Center, Office, or Division) and lower-tier organization, if applicable, that is sponsoring the proposed acquisition.
 - c. **Project Officer information.** Provide the following information:
 - Project Officer name.
 - Mailing address.
 - E-mail address.
 - Telephone number.

2. **Nature and/or description of the action being approved.** Provide the following information:
- a. **Acquisition purpose and objectives.** State the nature, purpose, and objective(s) of the acquisition and the overall program of which it is a part. Identify the authorizing program legislation, as applicable.
 - b. **Project background.** Specify any project background that is important to understanding the acquisition and the need it will satisfy. If the project is a continuation or renewal of an ongoing order, provide the current order number and indicate: (i) the name of the incumbent or predecessor contractor; (ii) the period of performance; (iii) total dollar amount obligated to date; and (iv) whether the initial and any subsequent awards were competed and, for any sole source or limited source awards, the basis for the approved LSJ.
3. **Description of the supplies or services required to meet the agency's needs (including the estimated value).** Provide the following information:
- a. **Project title.** Enter the project title as it will appear in the solicitation and resultant order.
 - b. **Project description.** Provide a brief (i.e., half-page or less) narrative description of the project. (NOTE: A Statement of Work (SOW), if applicable, may be referenced and attached in lieu of providing a project description. The term SOW, as used throughout this document, includes "Specification," "Statement of Objectives" (SOO), and "Performance Work Statement (PWS)."

Provide the following information:

- **Requirement type.** Check the appropriate box:
 - Support services (non-research & development)
 - Supplies/equipment
 - Information technology (IT)
 - Other (specify): _____
- **Type of action.** Check the appropriate box:
 - New requirement
 - Follow-on
 - Other (specify): _____
- **Proposed contract/order type.** Check all that apply:
 - Firm-fixed-price
 - Time and materials
 - Indefinite delivery (specify whether indefinite quantity, definite quantity, or requirements): _____
 - Other (specify): _____

- **Acquisition identification number.** Specify the requisition number, proposed solicitation number, or other acquisition identification number, if applicable.
 - c. **Total estimated dollar value and performance/delivery period.** Specify the total estimated dollar value of the acquisition, inclusive of options, and the total performance/delivery period.
4. **Identification of the justification rationale [see 8.405-6(a) and (b)] and, if applicable, a demonstration of the proposed contractor's unique qualifications to provide the required supply or service.**
- a. **Acquisition authority.** Check the applicable block below based on the acquisition circumstance.
 - This acquisition is conducted under the authority of the Multiple Award Schedule Program. Consideration of schedule contractors will be restricted to fewer than the number required by Federal Acquisition Regulation (FAR) 8.405-6(a)(1) [see FAR 8.401, 8.405-1, 8.405-2, 8.405-6(b), and 8.405-6(g)(1)] (i.e., fewer than three FSS contractors).**
 - This acquisition is conducted under the authority of the Multiple Award Schedule Program. Consideration of schedule contractors will be restricted only to the item peculiar to one manufacturer as provided in FAR 8.405-6(a)(2) [see FAR 8.401 and 8.405-6(g)(1)].**
 - b. **Demonstration of the proposed contractor(s) unique qualifications to provide the required supply or service.** Provide the following information, as applicable:
 - **Name and address of the proposed contractor(s).** Enter (i) the name and address of the proposed sole source contractor or (ii) the names and addresses of the contractors to which the order will be restricted.
 - **Nature of the acquisition and proposed contractor(s) unique qualifications.** Describe fully why only the designated supply or service will meet the sponsoring organization's needs and the contractor's unique qualifications to provide the requirement.
5. **Determination by the ordering activity Contracting Officer that the order represents the best value consistent with FAR 8.404(d).** Provide a statement, based on the specific circumstances of the acquisition proposed, that reflects the steps the CO will take (including documentation) regarding the price of the order prior to its award.

Since (a) GSA has already determined the prices of the supplies and services under FSS contracts, including rates for services offered at fixed hourly rates, to be fair and reasonable; and (b) by placing an order against a schedule contract using the procedures in FAR 8.405, the ordering activity CO has concluded that

the order represents the best value (see FAR 2.101) and results in the lowest overall cost alternative, the determination shall cite:

- (i) whether any additional discounts will be sought before placing an order (see FAR 8.405-4);
- (ii) the type of pricing information, if any, that will be obtained from the schedule contractor(s) in relation to seeking additional discounts; and
- (iii) the extent of the price evaluation anticipated in order to determine that the total price is reasonable – see FAR 8.405-2(d).

6. Description of the market research conducted among schedule holders and the results, or a statement of the reasons market research was not conducted. List any FSS contractors, other than the source(s) named in item 4.b. above, that were contacted and the results of that communication or other market research performed among schedule contract holders. If other FSS contractors were not contacted or other FSS market research was not conducted, provide an explanation.

Explain the efforts to be taken to ensure that offers are solicited from as many potential FSS contractors as possible. **[NOTE:** When a proposed FSS order exceeding the simplified acquisition threshold contains a brand-name specification, FAR 8.405-6(d) and (d)(2) require that, unless exempted by paragraph (e), the CO post the Request for Quotation to e-Buy (<http://www.ebuy.gsa.gov>) along with a justification as required by FAR 8.405-6(g).]

7. Any other facts supporting the justification. Cite any other factors not mentioned earlier in the justification as to why the requirement cannot be competed. Also, if applicable:

(a) when the new work is a logical follow-on to an original FSS order [see FAR 8.405-6(b)(2)], indicate whether there would be (i) unacceptable delays in fulfilling the agency's requirements and/or (ii) duplication of cost by award to another organization and, if so, provide an estimate of the cost duplication and how it was derived;

(b) if the justification is based on an urgent and compelling need (see FAR 8.405-6(b)(3), indicate (using data, estimated cost, or other rationale) the extent and nature of the harm that the sponsoring organization would incur and/or the unacceptable delays that would occur. Also, explain whether the proposed period of performance is the minimum acceptable period necessary to meet mission requirements, including why a shorter period is not advisable. If future extensions are anticipated, indicate what steps will be taken to encourage and solicit competition. **[NOTE:** The length of an order awarded under these circumstances cannot exceed one year unless approved by the OPDIV Head of the Contracting Activity (HCA).]

- 8. Statement of the actions, if any, the agency may take to remove or overcome any barriers that led to the restricted consideration before any subsequent acquisition for the supplies or services is made.**
- a. **Removal of barriers to competition.** Provide a brief statement as to whether or not there are future plans to acquire the same type of supplies or services, e.g., further extensions or renewals by competitive or other means. If subsequent acquisitions are anticipated, cite actions taken, or anticipated, to avoid continued limitation of sources for the requirement in the future and a schedule for accomplishing those actions. (NOTE: This may involve recompeting a successor requirement at a logical juncture in the phasing of the project or “breaking out” segments of the requirement to facilitate competition, where feasible.) If no actions have been or will be undertaken to overcome barriers to competition for future acquisitions, so indicate and provide an explanation.
 - b. **Listing of sources, if any, that expressed an interest, in writing, in the acquisition.** List the sources, if any, that have expressed an interest, in writing, in the acquisition and provide an explanation of why they are not being considered. If no interest has been received, enter “No other sources have expressed an interest, in writing, in the proposed acquisition.” For service orders requiring an SOW, document any requests made to the CO by interested organizations for a copy of the solicitation or SOW with the following information: (a) the name and contact information of the organization that submitted the request; (b) any communications with the requestor; and (c) the disposition of the request.
- 9. Program office certification.** The program officials cited shall complete the information required below and sign the certification in the blocks provided.

This is to certify that the portions of this justification that have been developed by the undersigned program office personnel, including supporting information and/or data verifying the Government’s minimum needs or requirements, or other rationale for limited sources, are accurate and complete.

Official	Name & Title	Signature	Date
Project Officer			
Project Officer’s Immediate Supervisor			
Head of the Sponsoring Program Office			

10. **Contracting Officer certification.** The CO shall complete the information required below and sign the certification in the block provided. [NOTE: The CO's signed certification may serve as approval of an LSJ over \$100,000 but not exceeding \$550,000¹, depending on OPDIV procedures.]

This is to certify that the justification for the proposed acquisition has been reviewed and that to the best of my knowledge and belief the information and/or data provided to support the rationale and recommendation for approval is accurate and complete.

Official	Name & Title	Signature	Date
Contracting Officer			

11. **Chief of the Contracting Office and Head of the Contracting Activity signature(s).** The Chief of the Contracting Office (CCO), if applicable, and the HCA shall indicate review of, and concurrence with, any LSJ over \$550,000² by providing the information required below and signing in the applicable block.

Official	Name & Title	Signature	Date
Chief of the Contracting Office			
Head of the Contracting Activity			

¹ This dollar range is current as of the date of issuance of interim acquisition policy memorandum No. 2008-03, but is subject to change – see FAR 8.405-6(h)(1). See HHSAR 308.405-6(h)(1) for additional information regarding CO approval of an LSJ in this dollar range..

² This review and concurrence requirement is applicable to the dollar ranges over \$550,000 cited in the FAR, specifically: (i) over \$550,000 but not exceeding \$11.5 million; (ii) over \$11.5 million but not exceeding \$57 million; and (iii) exceeding \$57 million – see FAR 8.405-6(h)(2) through (4). See HHSAR 308.405-6(h) for additional information regarding CCO/HCA review of and concurrence with an LSJ in these dollar ranges. These dollar ranges are current as of the date of issuance of interim acquisition policy memorandum No. 2008-03, but are subject to change.

- 12. Competition Advocate signature.** The designated OPDIV Competition Advocate (CA), upon acceptance of the rationale provided in the LSJ, shall complete the information required below and sign in the block provided as the approving official for any LSJ over \$550,000 but not exceeding \$57 million³. However, if the CA does not meet the requirements of FAR 8.405-6(h)(3)(ii) for an LSJ over \$11.5 million, but not exceeding \$57 million, an individual other than the CA shall exercise the approval authority.

The signature of the CA, or that of an individual meeting FAR 8.405-6(h)(3)(ii) requirements for an LSJ over \$11.5 million, but not exceeding \$57 million, shall serve as concurrence on any LSJ over \$57 million that requires the approval of the HHS Senior Procurement Executive (SPE).

Official	Name & Title	Signature	Date
Competition Advocate			

- 13. HHS Senior Procurement Executive signature.** The HHS SPE, upon acceptance of the rationale provided in the LSJ, shall complete the information required below and sign in the block provided as the approving official for any LSJ exceeding \$57 million⁴.

Official	Name & Title	Signature	Date
HHS Senior Procurement Executive			

³ This approval authority is applicable to the following dollar ranges cited in the FAR, specifically: (i) over \$550,000, but not exceeding \$11.5 million; and (ii) over \$11.5 million, but not exceeding \$57 million – see FAR 8.405-6(h)(2) and (3). See HHSAR 308.405(h)(2) and (3) for additional information regarding this approval authority, including when the CA does not meet the requirements of FAR 8.405-6(h)(3)(ii). These dollar ranges are current as of the date of issuance of interim acquisition policy memorandum No. 2008-03, but are subject to change.

⁴This dollar range is current as of the date of issuance of interim acquisition policy memorandum No. 2008-03, but is subject to change – see FAR 8.405-6(h)(4). See HHSAR 308.405-6(h)(4) for additional information regarding SPE approval of an LSJ in this dollar range.