

**Department of  
Veterans Affairs**

**Memorandum**

Date: December 8, 2008

From: Department of Veterans Affairs, Office of Acquisition Logistics and Construction, Center for Acquisition Innovation – Austin

Subj: Draft Request for Proposal No. VA-798A-09-DRP-0006, Integrated Financial Accounting System (IFAS) Requirement, Executive Summary

To: Interested Sources

**Introduction:**

1. VA has a requirement to develop and implement an integrated financial and logistics system across the entire department. The Financial and Logistics Integrated Technology Enterprise (FLITE) Program was established in VA to standardize functional processes and modernize the Information Technology (IT) environment supporting financial and logistics management within VA. The program has two primary components: a logistics and asset management component, referred to as Strategic Asset Management (SAM), and a financial component, referred to as Integrated Financial Accounting Systems (IFAS). Attached is our Draft Request for Proposal (DRFP) number VA-798A-09-DRP-0006 for the IFAS requirement.

2. The IFAS requirement must be acquired in accordance with Office of Management and Budget (OMB) Financial Management Line of Business (FMLoB) guidance. OMB rules mandate that VA conducts a “public-private competition” to satisfy the IFAS requirement. We realize that because of the scope and technical complexity of the effort as well as the size of VA, the acquisition will be challenging from an implementation and execution perspective. To be successful in this endeavor, we need your help. The attached DRFP provides an advance look of how we plan to satisfy the IFAS requirement.

3. We have three primary reasons for issuing the DRFP. The first is to provide a preview of our requirements that will allow potential Offerors to be positioned, both from a technical and business standpoint, to more rapidly prepare high quality proposals when the final Request for Proposal (RFP) is issued. The attached DRFP and IFAS Acquisition Reference Library (See Section L.7 in the DRFP) contain an extensive amount of material that will take some time to review. We expect potential Offerors will use this DRFP as an opportunity to work ahead in the proposal preparation process. Secondly, we recognize that the DRFP may have areas that can be clarified, improved or that we might be able to provide additional information so that we have fewer questions when the final RFP is issued. We seek your help in identifying those areas. Third, we would like your input to improve the quality of our solicitation so that we can ensure an efficient acquisition process and award a contract vehicle that will be an effective tool for accomplishing the objectives of the program.

4. The DRFP follows the Uniform Contract Format delineated in the Federal Acquisition Regulation (FAR) 15.204. We invite your thorough review of this DRFP to obtain a complete understanding of our anticipated requirements, terms and conditions, proposal requirements and evaluation factors for award.

**Overview of Requirement:**

1. The purpose of the IFAS acquisition, in part, is to address VA's long-standing major Federal Financial Management Integrity Act (FFMIA) financial management system functionality material

weakness (formerly lack of an integrated financial management system). In addition, it is to improve financial management performance by providing a modern, efficient core financial management system that complies with Federal accounting and systems standards and provides maximum support to the VA mission. Also, the proposed IFAS contract must enable VA-wide implementation of expanded functional capability, full integration of critical system components, continued business process reengineering, and continued high quality production and customer support.

2. The DRFP contemplates an award of a single Indefinite Delivery/Indefinite Quantity (ID/IQ) contract where orders may be placed, at VA's discretion, on a cost plus fixed fee (CPFF), cost plus award fee (CPAF) or fixed price (FP) basis, depending on the nature of the specific order requirements. The ordering period is 120 months with an additional 12-month period for completion of the orders. The ordering procedures are described in Special Contract Requirement H-13 of the DRFP. The orders will be issued against the Basic ID/IQ Contract to acquire the specific items and services that will accomplish the IFAS objectives. We expect performance on the orders will be at both VA sites and contractor site(s). As alluded to above and consistent with the FMLoB approach, VA expects to consider offers submitted by Federal Shared Service Providers (SSPs) for Financial Management. Should a Federal SSP be determined to offer the best value at the conclusion of the evaluation process, the final RFP will be cancelled and VA will enter into an interagency agreement (IA) with that Federal SSP to satisfy IFAS requirements.

3. It is important to call your attention to several other key aspects of the DRFP. First, the entity selected for award shall have to comply with rigorous personnel, physical, network and data security requirements during performance. Secondly, Earned Value Management will apply to this acquisition. Third, the entity selected for award will have to work closely with other VA contractors, including the Independent Verification and Validation (IV&V) contractor, the Program Management Office Support (PMOS) contractor, and the Strategic Asset Management contractor for the program to be successful. To avoid Organizational Conflict of Interest (OCI) issues, the entity selected for award will not be permitted to participate on other significant portions of the FLITE Program. All of these requirements are described in the DRFP and warrant your careful review.

4. We anticipate this acquisition will be open for competition with all interested parties, including large and small business concerns as well as Federal SSPs. Using source selection procedures described in FAR 15.3, we anticipate making a single award (either a contract to a commercial entity or an IA to a Federal SSP) to the responsible Offeror whose proposal is responsive to the solicitation requirements and is determined to be the best value to VA. Section L of the DRFP provides the Instructions to Offerors; paragraph L.15 states our specific proposal requirements. Please note that the DRFP has a requirement for an overall proposal to accomplish the IFAS objectives as well as three "Sample Orders." The "Sample Orders" may be issued concurrently with the Basic Contract. As part of the overall proposal, Offerors will be asked to provide a cost/price proposal for the IFAS program based on their technical solution (the end-state software and hosting environment) and technical approach (strategy and services to reach the technical solution). The ID/IQ contract maximum will be based on the overall eleven (11) year amount accepted from the Offeror determined to be best value to VA. We urge you to closely review Section L (Instructions to Offerors) and Section M (Evaluation Factors for Award) so that you can obtain a complete understanding of our anticipated proposal requirements in relation to the evaluation factors for award.

### **DRFP Response Instructions:**

1. **Comments and feedback are due by 4:00 PM (Central Time) January 7, 2009.** Please submit your comments to me either by e-mail or by regular mail. My e-mail address is [Cory.Price@va.gov](mailto:Cory.Price@va.gov). My physical address is listed above. Note, an e-mail response is the preferred method.
2. Although we are very interested in your comments for the DRFP, we will not be able to entertain requests for meetings from individual firms. Because of the large amount of work involved with an acquisition of this magnitude and the aggressive acquisition schedule, we ask for your understanding to limit your phone inquires. Your written comments are more valuable to us.
3. There are no restrictions or limitations for your comments to the DRFP. However, the following guidance is provided:
  - a. Reference the specific section, paragraph and page that you are making a comment on.
  - b. Make your comments specific and constructive.
  - c. If you have recommendations for specific wording changes that would improve the quality of the document, please provide.
  - d. If you take exception(s), please provide a specific narrative explanation.
  - e. "Comments" include questions of the type that normally would be asked after a final RFP is issued. Although the final RFP will permit questions to be submitted, we hope not to receive questions that could have been asked at this stage. If you have a question, please ask it now so we do not encounter delays when the final RFP is issued.
4. In addition, to your comments, we would like your response to address the following:
  - a. Please identify voids, ambiguities or conflicts within our DRFP technical documents that would lead to significant difficulty in submitting a proposal.
  - b. Please identify any other technical documents that could be added to the acquisition reference library that would assist in your proposal preparation.
  - c. Given the information contained, or referenced in the DRFP and the proposal requirements, is it reasonable for VA to request a proposal for the overall IFAS requirement at the Work Breakdown Structure Level 7?
  - d. Given the information contained, or referenced in the DRFP and the proposal requirements, is it reasonable for VA to request a proposal for the three Sample Orders?
  - e. Are the page limitations for the written proposals realistic? Do you recommend more or less? If so, why?

- f. Provide your input on the response time to the final RFP that we should consider. Please provide a narrative explanation.
- g. Does Section L of the DRFP provide enough information and guidance to enable you to prepare a proposal? What additional instructions would be useful?
- h. Is it clear what we seek for oral/presentations/demonstrations? If not, what do you suggest to better articulate those requirements?
- i. Does Section M make clear VA's priorities in evaluating proposals and the process that will be used?

**Projected Road Ahead for the IFAS Acquisition:**

1. Depending upon the comments we receive to this DRFP, we anticipate making the necessary adjustments to the documents that comprise our solicitation and **releasing the final RFP by approximately February 2, 2009**. For planning purposes, we are considering a due date for proposals for the final RFP of sixty (60) calendar days. Our goal is to make award of the IFAS requirement by September 2009. We realize that this is an aggressive overall schedule when considering the size and complexity of the IFAS requirement. Your help and participation will be a key element for us to successfully complete the acquisition.

2. In closing, the history associated with this requirement is well known and documented. The ultimate outcome of the IFAS project is critical to VA, to the public, and most importantly, to our Veterans. We look forward to working with the potential vendor community to make this acquisition a success. Thank you in advance for your interest and participation. My phone number is (512) 383-4303.

Sincerely,



Cory Price  
Contracting Officer

Attachment:  
DRFP No. VA-798A-09-DRP-0006