

**U.S. General Services Administration
Federal Acquisition Services, Information Technology Category
Class Justification for Other Than Full and Open Competition
Alliant 2 Governmentwide Acquisition Contract (GWAC)**

I. Identification of the agency and contracting activity.

The U.S. General Services Administration (GSA) is the agency. The Federal Acquisition Service (FAS), Information Technology Category (ITC), Office of Acquisition Operations, Interagency Contracts, Service Contract Division 2, Branch A (QT2F2BA) is the contracting activity. This justification is for other than full and open competition.

II. Nature and/or description of the action being approved.

This document is a Class Justification for Other Than Full and Open Competition (JOFOC), prepared in accordance with the requirements of Federal Acquisition Regulation (FAR) 6.302. The action being approved is to increase the maximum contract ceiling of the Alliant 2 GWAC to meet the continuing urgent need of the Federal Government through a highly vetted pool of contractors ready to provide governmentwide Information Technology (IT) services. This urgent need arose due to the unexpected soaring demand for IT services arising from the Coronavirus Disease 2019 (COVID-19) pandemic, and cyber related attacks to public and private institutions in the United States of America. The list of contracts that are part of the Alliant 2 GWAC is attached to this JOFOC.

This action is authorized by FAR 6.302-2, which states full and open competition need not be provided due to unusual and compelling urgency.

Background

Alliant 2 is a multiple award indefinite-delivery, indefinite-quantity (MA-IDIQ) governmentwide acquisition contract for IT services awarded as an unrestricted vehicle procured through full and open competition. The contract has a five-year base ordering period starting July 01, 2018 with a five-year option ordering period ending June 30, 2028. As a GWAC, Alliant 2 is available for use by any Federal Government Agency and has a

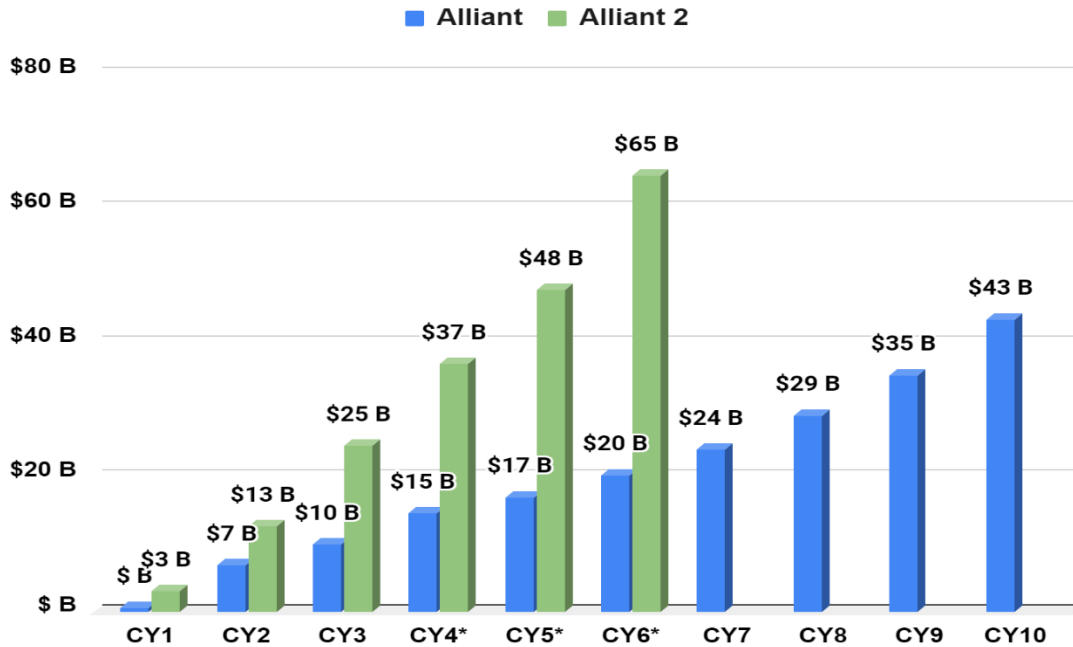
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diverse customer base with representation from both the civilian and defense sectors. Alliant 2 supports the Federal Government by providing enterprise level IT service solutions as a Best-in-Class (BIC) contract vehicle. As a MA-IDIQ contract, Alliant 2 provides baseline terms and conditions under which ordering agencies issue and manage funded task orders having specified IT service requirements and defined performance periods. Additionally, the contract expedites satisfying requirements for IT services by leveraging FAR 16.505, Ordering, as opposed to creating a new MA-IDIQ via FAR 15.3, Source Selection, to issue a task order.

FAR 16.504 designates a requirement to specify the total maximum quantity of supplies or services for an IDIQ contract. Alliant 2 has a \$50 billion dollar (\$50B) contract ceiling also known as a maximum master contract value. The value of a master contract is the cumulative value of all task orders issued under it. As agency-funded task orders are awarded, the maximum contract ceiling allocation is reduced by the obligated amount.

The Alliant 2's contract ceiling of \$50B was set based on historical data from its predecessor, the Alliant GWAC (5/1/2009 - 4/30/2019). Historically, at no point in time during the Alliant GWAC's 10-year period of performance (five year base period with one, five year option period) did the contract exceed its maximum contract value of \$50B, thus, it was determined that a ceiling increase was not necessary for the Alliant 2 GWAC. In fact, the Alliant GWAC had \$7B of remaining contract ceiling upon expiration of the ordering period, which at the time, satisfied any conservative cost estimate by the government to determine a reasonable contract ceiling. Unfortunately, the use of historical data to develop a ceiling estimate for the Alliant 2 GWAC was not predictive of the unprecedented volume of business that would be processed through the contract, from external unforeseen events such as the recent COVID-19 pandemic, an increase in IT usage and enhanced cybersecurity requirements.

Alliant and Alliant 2 Cumulative Order Dollars by Contract Year
 (* CY4 - CY6 Projected for Alliant 2)



*The Alliant 2 GWAC is currently in contract year four (CY4). The data illustrated in CY4 - CY6 represents growth projections based on average growth patterns from previous and current contract years.

A \$50B contract ceiling with a 10-year period of performance equates to a planned production amount of \$5B per contract year (CY) for a total of 10 years. To date, the Alliant 2 GWAC has surpassed all expectations of revenue and production forecasts. The annual production rate (burn rate) significantly exceeded the planned production amount for both CY2, \$9.6B; and CY3, \$12B. Alliant 2 experienced a growth rate of 92%, an additional \$4.5B for CY2, and 140%, an additional \$7B for CY3 when compared to the planned production value. An \$11B production value is projected for CY4, which creates a trend that substantially exceeds the planned production value.

Historical contract information was used to create a conservative estimate for the Alliant 2 ceiling, but the estimate failed to account for unforeseen, yet material external factors. These factors included the mass adoption of BIC vehicles by the Federal Government to streamline acquisitions using FAR 16.5 ordering procedures, as opposed to a more rigorous and time-consuming process set forth via FAR 15.3 source selection procedures.

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In the federal marketplace, GSA is one of only three Federal Agencies authorized by the Office of Management and Budget (OMB) to operate a GWAC. To establish an enterprise level GWAC, such as Alliant 2, there is generally a minimum three-year procurement administrative lead time (PALT). Alliant 2:

- (a) Introduced a Highest Technically Rated with Fair and Reasonable Price methodology.
- (b) Established performance-based standards at the Master Contract level.
- (c) Aligned its scope with the Federal Enterprise Architecture (FEA) and the Department of Defense Information Enterprise Architecture (DoD IEA).
- (d) Set ambitious small business subcontracting goals.
- (e) Established a pool of highly vetted contractors.

Each of these elements provide a strong value proposition and meaningful benefit to the Federal Government to promote the adoption of the Alliant 2 GWAC.

Large investments by the Federal Government in IT modernization, infrastructure, cybersecurity, and public health through National Defense Authorizations and Emergency Declarations played a vital role in the stimulated growth of the Alliant 2 GWAC (see section V). The extent of these investments were not fully anticipated when the Alliant 2 ceiling value was set. In the future, the GSA will apply a wider aperture to incorporate external factors commensurate with proposed federal spending, authorized congressional appropriations, and ever-increasing declarations of national emergencies.

Given the substantial and successful use of the Alliant 2 contract vehicle resulting from unusual and compelling circumstances (COVID 19, increase in IT infrastructure and cybersecurity requirements), the contract ceiling will likely be reached five years sooner than anticipated (during CY5), long before GSA planned to procure the follow-on vehicle. Thus, there is an urgent need to increase the ceiling to assure the continued availability of this BIC IT service and facilitate the immediate and expedited procurement of the follow on contract, Alliant 3.

Description

The action authorized by this Class JOFOC is to increase the Alliant 2 GWAC maximum contract ceiling by \$25B from \$50B to a total ceiling value of \$75B, in accordance with FAR 6.302-2. While the ceiling is being increased, the overall period of performance is not extended beyond the original expiration date of June 2028. During this period, the Alliant 2 GWAC ceiling increase will meet the minimum needs of the Government pending the expedited procurement of Alliant 3 by avoiding any interruption of IT service-based solutions in continued support of the pandemic response and critical infrastructure/cybersecurity.

As previously stated, the original \$50B ceiling value for Alliant 2 anticipated a business volume averaging no more than \$5B per year, over the life of the program. As explained below, there were a variety of unexpected and unpredictable circumstances that resulted in Alliant 2 receiving orders nearly double its projected usage.

When it recognized it would exceed the ceiling very early, GSA began the process to establish the next generation GWAC, Alliant 3. However, developing a major Government-wide contract vehicle is a time-consuming and complex process. It requires consultation with the community of federal agencies, OMB, and industry. Typically, under the best of circumstances, this process takes at least three years from conception until notice to proceed.

In the Federal Government, the Alliant 2 GWAC is a critical tool that was designated by OMB as a BIC contract vehicle. Agencies use the existing contract to fulfill requirements significantly faster than through any other solution that would require the creation of a BIC, MA-IDIQ. Through this vehicle, agencies are completing mission essential work to protect the homeland, respond to national emergencies and cyber threats, and provide critical support to help agencies meet their mission.

GSA considered the actual ordering history on Alliant 2 to date and the minimal time necessary to procure Alliant 3 when it calculated the amount of ceiling increase required. By increasing the ceiling by \$25B with this JOFOC, the Alliant 2 GWAC will remain available and fully functional to meet the minimum but critical needs of the Federal Government while GSA

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continues to expeditiously move forward with the planning, development, and procurement of Alliant 3. GSA has already announced that it intends to release the draft Request for Proposals (RFP) for Alliant 3 in the first quarter of fiscal year 2023.

GSA had considered adding an open season with the ceiling increase. However, it concluded that doing so would delay the procurement of Alliant 3 because the available procurement team would have stretched resources, and result in contracts of such a short duration for any new awardee. Instead, GSA can best support potential new contractors by accelerating the development of Alliant 3.

Due to the length of the GWAC creation process, this justification also serves as an exceptional circumstances determination per FAR 6.302-2(d)(1)(ii). GSA could not complete all the vital stakeholder engagement work, solicit, evaluate, and award a new contract vehicle as good and effective as Alliant 2 within a 12-month period.

III. A description of the supplies or services required to meet the agency's needs (including the estimated value).

The Alliant 2 contract ceiling is required to be increased by \$25B from \$50B to \$75B pending the accelerated procurement of the Alliant 3 contract vehicle. This increase is the minimum amount necessary to assure that the BIC IT services will be available to meet the continuing needs of the Government. The requirement is to continue to provide access to the Alliant 2 GWAC and its contractor base by increasing the contract ceiling. The increased ceiling will facilitate access to BIC IT services required for the Federal Government to meet ongoing and upcoming urgent requirements.

IV. An identification of the statutory authority permitting other than full and open competition.

The statutory authority permitting this other than full and open competition is 41 U.S.C. 3304(a)(2) (see FAR 6.302-2).

V. A demonstration that the proposed contractor's unique qualifications or the nature of the acquisition requires use of the authority cited.

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The Alliant 2 contract vehicle was procured using full and open contracting procedures. Award of this GWAC created a pool of vetted IT contractors capable of performing complex and specialized IT services. Alliant 2 has a 10 year period of performance, if all options are exercised, and a \$50B ceiling. However, due to unusual and compelling circumstances, the contract ceiling will be exhausted nearly five years sooner than anticipated. Thus, to meet the ongoing need for these services, the Alliant 2 ceiling must be increased pending the accelerated procurement of Alliant 3.

The unusual and compelling urgency giving rise to the need to increase the ceiling arose due to the convergence of public health emergencies (COVID 19), increased spending for IT services, and the increased need for cybersecurity. These events significantly increased demand for, and use of, this contract vehicle. Furthermore, given the much needed IT and professional services being provided by Alliant 2, failure to increase the contract ceiling would harm the Government as it would delay the acquisition of these services. In the case of the Alliant 2, the interagency contract is a proven, active source for the Federal Government to streamline the acquisition process in support of national emergencies. The Alliant 2 GWAC contains a pool of the highest technically rated contractors in the Federal Marketplace with vast experience and essential qualifications to support enterprise level IT service solutions. The contractor pool is highly vetted, the contract is a BIC vehicle, and the success of the program is evident through the contract's mass utilization by the Federal Government in support of national emergencies and executive orders.

Public Health Emergency, COVID-19

A national emergency declaration was issued by the previous administration¹ and continued by the current administration² through Proclamation 9994 for the novel coronavirus disease (COVID-19) outbreak. In addition, the Secretary of Health and Human Services (HHS) declared a Public Health Emergency for COVID-19 on January 31, 2020, under section 319 of the Public Health Service Act. To date, the national

¹ Declaring a National Emergency Concerning the Novel Coronavirus Disease (COVID-19) Outbreak, <https://www.federalregister.gov/documents/2020/03/18/2020-05794/declaring-a-national-emergency-concerning-the-novel-coronavirus-disease-covid-19-outbreak>, retrieved February 24, 2022.

² Continuation of the National Emergency Concerning the Coronavirus Disease 2019 (COVID-19), <https://www.federalregister.gov/documents/2021/02/26/2021-04173/continuation-of-the-national-emergency-concerning-the-coronavirus-disease-2019-covid-19-pandemic>, retrieved February 24, 2022.

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pandemic known as COVID-19 has taken the lives of more than 1,000,000 Americans³ and continues to mutate and transmit through new variants (e.g., Delta, Omicron), affecting the public health, national security, and economic stability of this country.

In order to provide an immediate response to national emergencies, the Federal Government must have the logistical capabilities to communicate threats to decision-makers and the general public utilizing evolving technology. A stronger public health infrastructure can assist the nation in preventing, detecting, and responding to future biological threats, both domestically and internationally⁴. However, to achieve a data-driven approach to public health threats, the Federal Government will require accessible and flexible acquisition capabilities to develop, maintain, and advance health information systems.

To date, 70 task orders have been issued against the Alliant 2 GWAC by the Federal Government Agencies to develop or maintain a public health information system or public health-related efforts. Of the 70 task orders, 47 were related to COVID-19, and 32 task orders remain active in continued support of the national emergency. The Alliant 2 contractor base (also known as Industry Partners) provides vital support services to Federal Agency customers such as the Center for Disease Control, Department of Health and Human Services, Department of Defense, Department of Homeland Security, and the Internal Revenue Service. Therefore, maintaining the Alliant 2 GWAC is critical for the Federal Government to respond to national emergencies related to public health while improving the vitality of the U.S. public health infrastructure.

National Cybersecurity and IT infrastructure

In recent years, U.S. Presidents have issued multiple executive orders to protect against significant malicious cyber-enabled activities. In 2015, Executive Order 13694 was issued, *Blocking the property of certain persons engaging in significant malicious cyber enabled activities*⁵.

³ COVID Data Tracker, https://covid.cdc.gov/covid-data-tracker/#cases_totalcases, retrieved June 13, 2022.

⁴ Ensuring a Data-Driven Response to COVID-19 and Future High-Consequence Public Health Threats, E.O. 14028, <https://www.federalregister.gov/documents/2021/01/26/2021-01849/ensuring-a-data-driven-response-to-covid-19-and-future-high-consequence-public-health-threats>, retrieved 02/24/2022.

⁵ Blocking the property of certain persons engaging in significant malicious cyber enabled activities, E.O. 13694, <https://www.federalregister.gov/documents/2015/04/02/2015-07788/blocking-the-property-of-certain-persons-engaging-in-significant-malicious-cyber-enabled-activities>, retrieved 02/24/2022.

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Followed by Executive Order 13757⁶ and 13984⁷, respectively issued in 2017 and 2021, *Taking additional steps to address the national emergency with respect to significant malicious cyber-enabled activities*.

In May 2021, the President issued Executive Order 14028⁸, *Improving the nation's cybersecurity*. Echoing previous Executive Orders 13800⁹, *Strengthening the cybersecurity of federal networks and critical infrastructure*, and E.O. 13636¹⁰, *Improving Critical Infrastructure Cybersecurity*. Nevertheless, the most recent executive order (14028) is nuanced from its predecessors by emphasizing a departure from the idea of incremental improvements to security for bolder changes through significant investments aimed at defending vital institutions that underpin the American way of life. According to Executive Order 14028, "The Federal Government must bring to bear the full scope of its authorities and resources to protect and secure its computer systems, whether they are cloud-based, on premises, or hybrid. The scope of protection and security must include systems that process data (information technology (IT)) and those that run the vital machinery that ensure our safety (operational technology (OT))."

Executive Order 14028 acknowledges the U.S. digital infrastructure can only be trustworthy when it is transparent, which requires the participation of public and private sector. Furthermore, the National Defense Authorization Act of 2022 compliments the executive order by displaying a significant investment in national cybersecurity through provisions designated for defense and civilian agencies. To achieve those directives, the Defense Department, and civilian agencies such as Cybersecurity and Infrastructure Security Agency (CISA), will require uninterrupted access to governmentwide acquisition vehicles that contain a pool of highly qualified

⁶ Taking additional steps to address the national emergency with respect to significant malicious cyber-enabled activities, E.O. 13757, <https://www.federalregister.gov/documents/2017/01/03/2016-31922/taking-additional-steps-to-address-the-national-emergency-with-respect-to-significant-malicious>, retrieved 02/24/2022

⁷ Taking additional steps to address the national emergency with respect to significant malicious cyber-enabled activities, E.O. 13984, <https://www.federalregister.gov/documents/2017/01/03/2016-31922/taking-additional-steps-to-address-the-national-emergency-with-respect-to-significant-malicious>, retrieved 02/24/2022

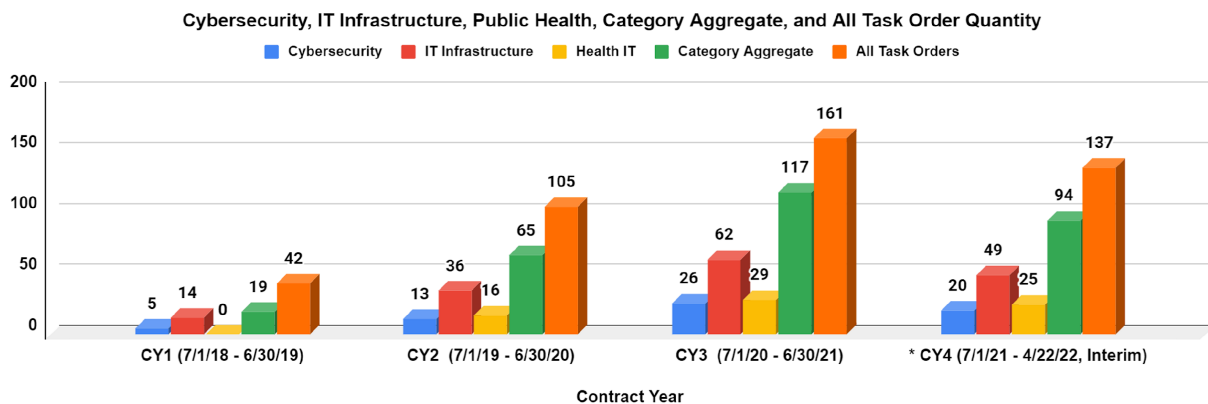
⁸ Improving the nation's cybersecurity, E.O. 14028, <https://www.federalregister.gov/documents/2021/05/17/2021-10460/improving-the-nations-cybersecurity>, retrieved 02/24/2022

⁹ Strengthening the cybersecurity of federal networks and critical infrastructure, E.O. 13800, <https://www.federalregister.gov/documents/2017/05/16/2017-10004/strengthening-the-cybersecurity-of-federal-networks-and-critical-infrastructure>, retrieved 02/24/2022

¹⁰ Improving Critical Infrastructure Cybersecurity, E.O. 13636, <https://www.federalregister.gov/documents/2013/02/19/2013-03915/improving-critical-infrastructure-cybersecurity>

contractors to meet their complex and critical national information technology challenges¹¹.

Alliant 2 is a proven governmentwide contract currently serving the IT service solution needs of the Federal Government for defense and civilian agencies. From CY1 - CY3, 46% of all task orders under the Alliant 2 GWAC were issued by, or for, the Department of Defense (DoD) or the Department of Homeland Security (DHS), and 72% of these task orders were related to cybersecurity. Task orders for DoD include those from all of the U.S. military branches, and task orders for DHS include those from CISA. Collectively, cybersecurity related task orders issued for civilian and defense agency customers doubled in quantity each contract year from CY1 - CY3 and has a cumulative amount of \$5.6B from CY1 - CY4. Additionally, IT Infrastructure task orders also nearly doubled in quantity from CY1 - CY3 and represent 48% of all task order value with a cumulative amount of \$16.2B from CY1 - CY4.



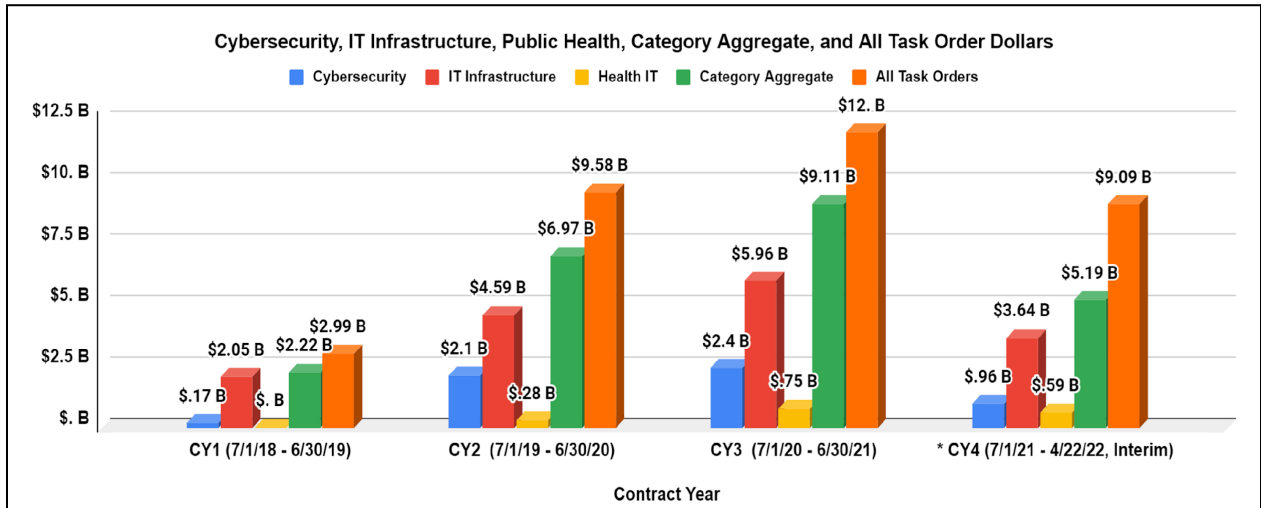
*The Alliant 2 GWAC is currently in contract year four (CY4). The data illustrated in CY4 provides interim information for an incomplete contract period.

As mentioned, the Health IT task order quantity significantly increased from CY1 - CY4 for a total of 70 task orders in support of the national emergency COVID-19. Out of the 70 task orders 47 were directly related to COVID-19 IT support services, which constitutes approximately 67% or roughly \$1.1B out of the \$1.6B spent on Health IT. The Alliant 2 GWAC's ability to support customers by quickly ramping-up in task order quantity and absorbing one billion dollars in awards in a three-year period displays an essential capability the Federal Government requires to streamline the acquisition

¹¹ How the United States can deter ransomware attacks, Rand Corporation, <https://www.rand.org/blog/2021/08/how-the-united-states-can-deter-ransomware-attacks.html>, retrieved 02/25/2022



process, respond to national emergencies, and ultimately save American lives.

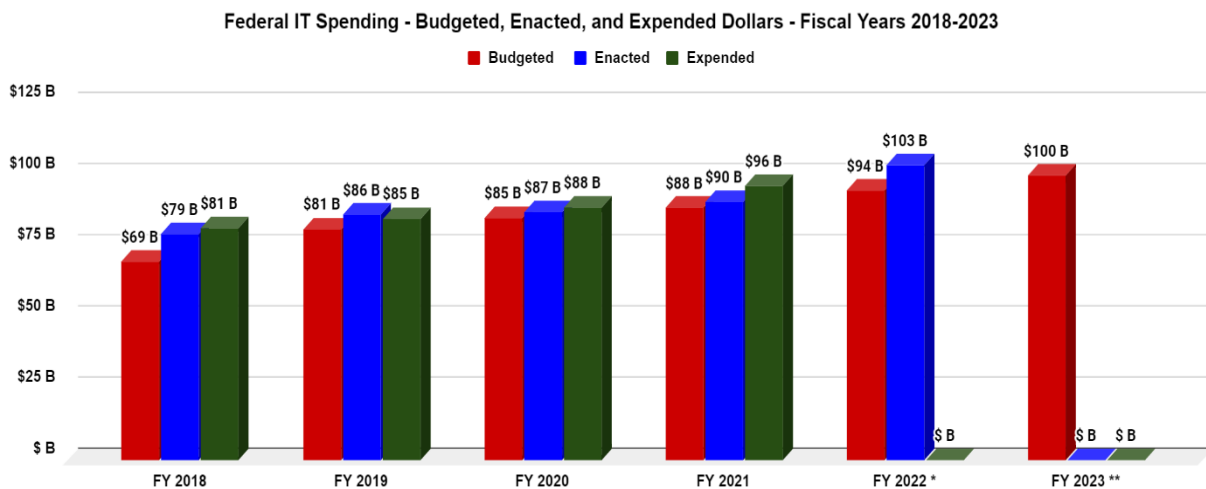


*The Alliant 2 GWAC is currently in contract year four (CY4). The data illustrated in CY4 provides interim information for an incomplete contract period.

Task Order Category Rounded Dollars by Contract Year				
	CY1 (7/1/18 - 6/30/19)	CY2 (7/1/19 - 6/30/20)	CY3 (7/1/20 - 6/30/21)	* CY4 (7/1/21 - 4/22/22, Interim)
Cybersecurity	\$171 M	\$2.10 B	\$2.40 B	*\$957 M
Infrastructure Orders	\$2.05 B	\$4.59 B	\$5.96 B	*\$3.64 B
Public Health Orders	\$0	\$280 M	\$754 M	*\$586 M
Combined Categories	\$2.22 B	\$6.97 B	\$9.11 B	*\$5.19 B
All Client Orders	\$2.99 B	\$9.58 B	\$12.0 B	*\$9.09 B
Combined Category % of All Client Orders	74.27%	72.72%	75.95%	*57.08%

*The Alliant 2 GWAC is currently in contract year four (CY4). The data illustrated in CY4 provides interim information for an incomplete contract period.

Cybersecurity, IT Infrastructure, and Health IT represent 66% of all task orders and 70% of all dollars spent through the Alliant 2 GWAC. Notably, these three categories directly support national emergencies, and strengthen our national networks by protecting and improving critical IT infrastructure. The Federal Government relies on the Alliant 2 GWAC as a readily available, proven source to expedite the acquisition of critical IT support services with a BIC designation and will rely upon Alliant 3 for the same critical services. The absence of the Alliant 2 GWAC would significantly harm the government in its ability to address critical services such as IT infrastructure, cybersecurity, and health IT, especially given the current geopolitical environment. Raising the ceiling on Alliant 2 is the best means to assure continued coverage pending the accelerated procurement of Alliant 3.



*FY 2022 expended data not available until the FY is complete. **FY 2023 is only budgeted to date. Source: [Federal IT Dashboard](#)

As indicated in the graph, the IT investment by the Federal Government has trended upward for the past five years with budgeted, enacted, and expenditure amounts regularly increasing and heading towards a hundred billion dollars per fiscal year. In this context, the continued growth and investment in IT coincides with the significant annual production amount on the Alliant 2 GWAC, and it supports the necessity for a multi-billion-dollar ceiling increase that can adequately sustain the needs of the Federal Government for national emergencies, hardening of national networks, and protection of critical IT infrastructure. A preview of the FY 2023 budget

indicates a continued investment and growth pattern outlined from historical trends in all three fiscal categories.

Other Considerations

Statutory authority 41 U.S.C. 3304(a)(2) authorizes other than full and open competition procedures when an unusual and compelling urgency necessitates immediate action to preclude serious harm to the Government.

According to a report filed by the Secretaries of Commerce and Homeland Security, *Supporting the Growth and Sustainment of the Nation's Cybersecurity Workforce*¹², in response to E.O. 13800, the Federal Government is highly dependent on a cybersecurity workforce that is supplemented by contractors. At this time, there are an estimated 300,000 to 500,000 active openings for cybersecurity-related jobs¹³. The severe cybersecurity workforce shortages also extend to the private sector, which owns the majority of U.S. critical infrastructure. Globally, projections suggest a cybersecurity workforce shortage of 1.8M. Therefore, maintaining the Alliant 2 contractor base is vital to national security and economic stability during a national shortage of cybersecurity experts.

Based on responses from the Alliant 2 Industry Partners, the contract currently employs thousands of full-time equivalent positions and supports hundreds of small businesses through subcontracting, including the small business supply chains that provide manufactured parts or services. Maintaining the availability of the Alliant 2 contractor base is critical in aiding the Federal Government during a workforce shortage that often contends with the technical debt from using legacy systems while maintaining a disjointed national IT infrastructure that is frequently under attack from foreign actors. Undoubtedly, the workforce deficit and cybersecurity crisis has resulted in the use of the National Emergencies Act by multiple U.S. Presidents while furthering the argument to sustain the contractor base for modern industrial mobilization¹⁴.

¹² A Report to the President on Supporting the Growth and Sustainment of the Nation's Cybersecurity workforce: Building the Foundation for a More Secure American Future. https://www.cisa.gov/sites/default/files/publications/eo_wf_report_to_potus.pdf Retrieved 03/01/2022.

¹³ DHS Tackles Cybersecurity Workforce Shortage with New Training Centers. <https://governmentciomedia.com/dhs-tackles-cybersecurity-workforce-shortage-new-training-centers>. Retrieved 03/01/2022.

¹⁴ As tanks rolled into Ukraine, so did malware. Then Microsoft entered the war. New York Times. <https://www.nytimes.com/2022/02/28/us/politics/ukraine-russia-microsoft.html?referringSource=articleShare>. Retrieved 03/01/2022

Furthermore, the absence of the Alliant 2 GWAC would leave the Federal Government with limited, fragmented access to an experienced contractor base that is managed as a BIC vehicle with performance-based standards. The impact of a contract shutdown would leave Federal Agencies without a sustainable enterprise IT service solution that is commissioned to support the acquisition needs of the entire Federal Government. Moreover, there is a workforce shortage of acquisition professionals¹⁵ in the Federal Government that would limit the ability of departments and individual agencies to effectively rebound by establishing internal MA-IDIQs and respond to national emergencies. The list below provides further examples of how agencies would be impacted:

- Speed. While agencies can still directly award their own contracts, procuring through the Alliant 2 GWAC is faster, with highly vetted and qualified contractors already pooled through an established vehicle. Contracting Officers all across the government have been trained on how to best use the Alliant 2 GWAC.
- Flexibility. There are 290 active task orders under the Alliant 2 GWAC. Raising the ceiling ensures agencies have full flexibility to modify and add work as needed.
- Meet the President's Management Council Goals. Alliant 2 is a strategic contract vehicle designated as BIC by OMB. Federal Agencies have goals for using BIC contracts.
- Resilience. The Alliant 2 GWAC currently contains multiple task orders supporting the Federal Government in two national emergencies, COVID-19 and malicious cyber-related activity, that require the modernization efforts from a contracted workforce to save American lives, maintain national security, and ensure economic stability.

In light of the requirements and circumstances, Alliant 2 GWAC's current use and federal marketplace position establishes it as a unique and premier source to satisfy the Government's necessity for enterprise IT solutions. Section VIII further illustrates the demand and criticality of Alliant 2 GWAC, supporting the need to have existing contract holders available for cybersecurity, national security, and economic stability.

¹⁵ U.S. Office of Personnel and Management. Governmentwide Direct Hire Authority, GW-007, Acquisition, GS-1102. <https://www.opm.gov/policy-data-oversight/hiring-information/direct-hire-authority/#url=Governmentwide-Authority>. Retrieved 03/02/2022

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VI. A description of efforts made to ensure that offers are solicited from as many potential sources as is practicable, including whether a notice was or will be publicized as required by subpart 5.2 and, if not, which exception under 5.202 applies.

The Alliant 2 GWAC was awarded through full and open competition (FAR 6.1) utilizing source selection procedures (IAW FAR 15.3), publicized to the general public (FAR 5.102) as an unrestricted contract for all vendors (e.g., small business and other than small businesses) to submit a proposal. The contract was initially awarded to 61 contractors out of 170 proposals submitted during the procurement of the Alliant 2 contract. The overall contract period of performance will not be extended by virtue of this ceiling increase.

The evaluation process utilized a self-scoring and validation process to extract the highest technically rated contractors with fair and reasonable pricing (HTR&FRP); a departure from the government's traditional use of lowest price technically acceptable (LPTA) or trade-off process within the best value continuum. The intent of the HTR&FRP approach used for Alliant 2 was to validate that a contractor could satisfy any of the potential requirements of the performance work statement (PWS) contract, which took approximately three years to award, including protests. The current list of qualified sources has been reduced from 60 to 41 as a result of mergers and acquisitions, as well as a failure to meet performance standard criteria as specified in the contract for small business subcontracting and proposal participation on task orders. Of the remaining 41 contractors, Alliant 2 is generating an average of three to four proposals per task order, suggesting that there is adequate competition despite having fewer sources available. All remaining Alliant 2 contractors will be able to compete for task orders issued as a result of the increased ceiling.

Although conducting an open season for Alliant 2 could result in additional, qualified sources, it would not be practical, nor in the best interest of Industry or the Government based on the following considerations:

- Remaining Contract Term. The action is a ceiling increase, not an extension of the period of performance. GSA recognizes the value of additional contactors both in building the industrial base and in enhancing competition. GSA can best expand opportunities for new

contractors by immediately beginning the process of procuring the next generation contract, Alliant 3. The ceiling increase keeps Alliant 2 fully operational in the interim.

- Remaining Contract Ceiling. The Alliant 2 contract has \$13B of remaining ceiling out of the original \$50B. The annual average burn rate is roughly \$11B per contract year, and the trend pattern suggests a continued upward growth. The estimated contract life based on the remaining ceiling is less than two years. The ceiling increase is the minimum amount necessary to continue the contract pending the award of the Alliant 3 GWAC.
- Duration of Open Season. Based on historical information, the duration of an open season can range from eight months to one year to complete. Protests may extend the duration of an open season beyond a one-year period.
- Diminishing Return on Investment. The combination of the remaining contract ceiling value and the average duration of an open season greatly diminishes the probability of added vendors benefiting from an open season before the contract is terminated to transition customers to the Alliant 3 GWAC.
- Conservation of Industry Resources. The reported average-to-high proposal cost for Alliant 2 prime contractors ranges from \$300K to \$1M dollars, which incorporates human resources and consulting services. Conducting an open season in consideration of the reported proposal cost can have an unintended impact on industry. The government intends to provide a more sustainable option to support industry investment.
- Conservation of Government Resources. Conducting an open season and an Alliant 3 preaward would be overly burdensome with respect to the distribution of resources used to evaluate proposals and respond to likely protests. Resulting in the delay of Alliant 3 or awarding to new Alliant 2 contractors and then shortly after terminating the contract to transition to Alliant 3. GSA can better focus the agency's acquisition efforts to ensure a new, competitive opportunity is provided by accelerating the replacement of Alliant 2 with the award of Alliant 3. In the interim, Alliant 2 will continue to enforce fair opportunity and promote small business subcontracting goals.

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Alliant 3 will continue to use performance-based standards at the master contract level, similar to its predecessor Alliant 2. However, Alliant 3 will include additional enhancements intended to promote more small business subcontracting, increase competition through bid participation, and reduce terminations resulting from inadequate production dollars. Alliant 3 intends to enhance the performance-based standards by inserting a trade-off mechanism to achieve more small business inclusion through subcontracting when prime contractors do not meet the annual production standard.

Alliant 3 will also promote diversity, equity, inclusion, and accessibility by enhancing the small business subcontracting performance standards at the master contract level to increase small business inclusion and distribution of dollars through a more rigorous performance achievement ladder. The Alliant 2 GWAC introduced a leading standard during its inception by setting a 50% small business subcontracting goal and subcontracting plans with socioeconomic percentages. This resulted in hundreds of millions of dollars more in small business subcontracting than its predecessor, Alliant GWAC, during the same contract period. Continuing with that momentum, the Alliant 3 GWAC intends to increase small businesses subcontracting through the use of performance standards, subcontracting goals and plans, and innovation.

The Alliant 2 GWAC will continue to enforce fair opportunity and contractor engagement performance standards to promote competition during the ceiling increase interim period. The Alliant 3 GWAC will be solicited as an unrestricted contract through full and open competition, allowing all IT service vendors to be eligible to participate. Alliant 3 will be procured as expeditiously as possible to offer immediate opportunity to interested parties.

VII. A determination by the contracting officer that the anticipated cost to the Government will be fair and reasonable.

The established labor rates were determined to be fair and reasonable through full and open competition and are not subject to change due to the increased contract ceiling.

VIII. A description of the market research conducted and the results or a statement of the reason market research was not conducted.

Acquisition Perspective

In 2021, market research involving 1,000 customers was conducted by the Alliant 2 Program Management Office to survey the acquisition needs of customers. According to the results of the survey, 96% of respondents preferred a smaller number of highly qualified industry partners similar to the Alliant 2 GWAC, and 90% of respondents preferred three or four proposals to ensure adequate competition. In addition, 86% of clients preferred a single pool with a smaller number of awardees versus multiple pools based on functional areas.

Industry Perspective

In 2022, a survey was issued to the Alliant 2 Industry Partners to assess the impact to their businesses and agency customers if the ceiling increase was not approved, or if the contract was to be discontinued due to an insufficient contract ceiling. The following responses from industry further support the necessity to sustain the Alliant 2 GWAC:

- Not having Alliant 2 as a viable contract vehicle option will have a detrimental effect on our mission critical support to both current and future customers. Current and potential customers are relying on Alliant 2 as part of their acquisition strategy to acquire support for their missions, which will be placed in the difficult situation of trying to quickly find alternative contract options. Contract award delays and gaps in customer support could also lead to losses in contractor resources and expertise.
- It is recommended that the customer's acquisition plan cycles be taken into consideration. Federal Agency customers have completed acquisitions strategies for the next 18 to 24 months that may include the Alliant 2 contract. Adequate ceiling must exist for these acquisition strategies to be executed or critical contractor support could be at risk or delayed.
- Failure to provide adequate ceiling on the Alliant 2 GWAC would have a significant and unimaginable impact on customers, contractors and GSA for contracts already awarded but without full funding.



- Failure to provide a ceiling increase will have a profound impact on solutions for customers, business for contractors and the technology that is being employed under this contract. The contract features ever expanding scope of IT and Leading Edge Technologies coupled with the flexibility and comprehensiveness of the contract, which are not available in any other IT contract.
- If the Alliant 2 ceiling increase is not approved, our current customers' missions will be negatively impacted by significant delays to provide continuity of operations and continued security of current programs. Our customers will be required to devote more time and funds to revisit near-term and long-term technical and acquisition strategies in order to successfully execute their critical missions without interruption or additional costs. Our company would be negatively impacted and lose revenue, employees, and the ability to expand our business as planned if the Alliant 2 ceiling is not increased to accommodate new and existing task orders.
- Our customers rely on Alliant 2 for their current and future needs. Without a ceiling increase there will be a disruption in service because there is no other BIC contract vehicle with contractors as highly qualified particularly in the leading-edge technology area of cybersecurity, artificial intelligence, robotic process automation, and machine learning. Alliant 2 also fosters small business inclusion in some of the most technically complex, large enterprise IT requirements.
- Alliant 2 has played an essential role for agencies to achieve digital transformations and cybersecurity milestones under tight deadlines. The impact to our customer base would cause a break in continuity, delay and/or stoppage in contract deliverables, potential loss of key personnel and program knowledge, an increase to knowledge transfer costs, and additional procurement costs to create a new contract along with any delays resulting from protests. The impact to our business would be significant proposal preparation costs, inability to offer our customers long term continuity of service, inability to offer our small business partners longer term continuity, potential loss of key staff, and confusion to our customers as it relates to where to send RFPs.

IX. Any other facts supporting the use of other than full and open competition.



- Increasing the maximum contract ceiling for an MA-IDIQ allows for the continuation of the contract within the specified period of performance, with the intent to avoid a disruption in service and efficiently transition customers from Alliant 2 to Alliant 3.
- Additional contract ceiling will sustain strategic and tactical acquisition planning and allow for continuous solutions to be available for Federal Customers.
- Increasing the maximum contract ceiling is not a firm obligation or expenditure of appropriated funds as is the case when Federal Agencies issue task orders. As such, the Alliant 2 GWAC is only responsible for ensuring the minimum guarantee (i.e., \$2,500) as delineated in the master contract.
- Increasing the maximum ceiling value would not have changed the number of offerors or participants in the procurement since a \$50B ceiling benchmarked the contract as one of the largest competed MA-IDIQs in the Federal Government.
- The \$25B ceiling increase is the minimal amount required to achieve the aggressive acquisition schedule for Alliant 3. By virtue of this ceiling increase, GSA will assure agencies that the Alliant 2 vehicle has the minimal amount required to conduct a soft transition between Alliant 2 and Alliant 3.
- The Alliant 2 contract is a critical contract relied upon by agencies all across the Federal Government. A disruption in IT services would significantly impact the Government's ability to respond to national emergencies, secure critical IT infrastructure, and protect the American people, which would result in serious injury, financial, or other.

X. A listing of the sources, if any, that expressed, in writing, an interest in the acquisition.

The ceiling increase action is to support Alliant 2 as well as to ensure there is an adequate amount of time for Alliant 2 performance for an

[REDACTED]

uninterrupted transition to Alliant 3 GWAC once awarded. The GSA Interact Community of Interest website for the Alliant 3 GWAC, located at <https://interact.gsa.gov/group/alliant-3-gwac-community-interest>, currently contains 154 members and has received 1,500 views from various interested sources. We expect there will be a large interest from industry to compete for an Alliant 3 GWAC Master Contract.

XI. A statement of the actions, if any, the agency may take to remove or overcome any barriers to competition before any subsequent acquisition for the supplies or services required.

Alliant 2 is a performance-based contract at the master contract level, which promotes competition and contractor engagement through annual performance standards that prime contractors must achieve to maintain their base contract. As a result, the Alliant 2 contract has achieved an average bid count of three bids per competed award since CY2.

GSA is moving forward as quickly as possible to finalize the requirements and procure Alliant 3 using fair and open competition. The ceiling increase for Alliant 2 is merely a stop gap measure to provide GSA the necessary minimal time to procure Alliant 3 sooner than originally anticipated. GSA is focused on the long-term competition that will be achieved for Alliant 3. A draft Request for Proposals (RFP) will be issued in SAM.gov in the first quarter of fiscal year 2023 to solicit comments from potential offerors. The official RFP will be issued in the calendar year 2023.

XII. Contracting officer certification that the justification is accurate and complete to the best of the contracting officer's knowledge and belief.

The contracting officer's signature certifies this document to be accurate and complete to the best of his knowledge and belief.

XIII. Technical/Requirements Personnel's Certification of Accuracy and Completeness

As evidenced by their signatures, or documentation in the contract file, the technical and/or requirements personnel have certified that supporting data



provided by them and which form the basis of the action provided herein is accurate and complete.

Attachment:

Attachment 1: [GWAC Active Contract Listing - Alliant 2, Class Justification for Other Than Full and Open Competition](#)

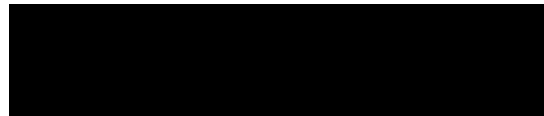
Prepared by:



Roman L. Rodriguez
Procuring Contracting Officer

8/9/2022

Date

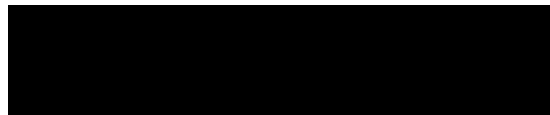


Nicholas Kalathas
QT2F2BA Branch Chief

8/9/2022

Date

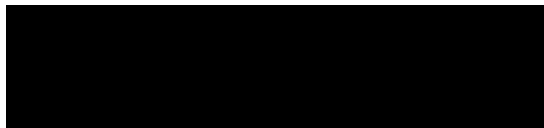
Reviewed by:



Paul Bowen
GWAC Enterprise Program Lead

8/9/2022

Date



Matthew Verhulst
Regional, Contracting Director

8/9/2022

Date

[Redacted]

[Redacted]

Margaret Haggerty
Regional, Office of General Counsel (OGC)

8/10/2022

Date

[Redacted]

Laura Stanton
FAS ITC, Head of Contracting Activity (HCA)

8/10/2022

Date



Concurrence by:

I have reviewed this contract action and I have determined to the best of my knowledge and belief, based on the information contained herein, that it complies with all applicable policies and regulations.



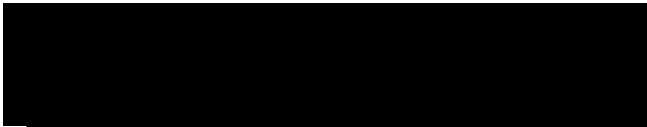
8/10/2022

Mark Lee
Assistant Commissioner
FAS Office of Policy and Compliance

Date

Approved by:

I certify that this justification is accurate and complete to the best of my knowledge and belief, and I determine on the basis of the findings above that an other than full and open competition approach is in accordance with the requirements and is in the best interest of the Government.



8/15/2022

Jeffrey A. Koses
Senior Procurement Executive (SPE),
General Services Administration

Date