JUSTIFICATION AND APPROVAL FOR OTHER THAN FULL AND OPEN COMPETITION
(41 U.S.C. 3304(a)(7))

Pursuant to the requirements of the Competition in Contracting Act (CICA) as implemented by the Revolutionary Federal Acquisition Regulation Overhaul (RFO) 6.103 and in accordance with the requirements of RFO 6.104, the justification for the use of the statutory authority under RFO 6.103 is justified by the following facts and rationale required under RFO 6.104-1 as follows:[1]

1. **Agency and Contracting Activity.** The Department of Homeland Security (DHS), U.S. Citizenship & Immigration Services (USCIS), Office of Contracting (OCON), proposes to enter into a purchase order on a basis other than full and open competition on behalf of the USCIS Office of the Chief Financial Officer (OCFO).

2. **Nature and/or Description of the Action being Approved.**

   (a) Nature of action

   USCIS intends to procure on a sole source basis an Accounting Reconciliation & Close tool – DHS Analysis – that is available only from one supplier who has sole ownership of the product. The specific FAR Subpart supporting this justification is RFO 6.103-1, only one responsible source and no other supplies or services will satisfy the agency requirements.

   (b) Name and address of the contractor.

   Empirical Corporation
   137 National Plz Ste 300
   National Harbor, MD 20745-1153

   (c) Contract type

   The purchase order will be issued as Firm Fixed Price, covering both licenses for the tool and associated support services to maintain it.

   (d) Estimated total value (including options). Provide breakdown as shown below:

Period		Total
Base Year	9 mo.	[redacted]

[1] In this document, citations to RFO Part 5, RFO Part 6, RFO Part 10, RFO Part 15 and RFO Part 25 are citations specifically to Federal Acquisition Regulation (FAR) Class Deviation 25-17, for FAR Part 5, FAR Class Deviation 25-11, for FAR Part 6, FAR Class Deviation 26-06, for FAR Part 10, FAR Class Deviation 26-08, Rev. 1 for FAR Part 15, FAR Class Deviation 26-09, Rev. 1 for FAR Part 25, and HSAR 3006 Class Deviation 25-01, for HSAR 3006, which was issued as part of the Revolutionary FAR Overhaul (RFO), which was implemented in response to Executive Order 14275, *Restoring Common Sense to Federal Procurement*, signed April 15, 2025.

USCIS has already procured the DHS Analysis Tool and the related support services during fiscal year 2025, allowing the cost estimate for the new order to be derived from historical actuals, adjusted for inflation. The current purchase order number is 70SBUR25P00000018, with a 12-month period of performance slated to end on June 13, 2026.

(e) Type of funding

Operations and Support funds will be used for this acquisition.

(f) Year of funding

Fiscal Year 2026

(g) Solicitation number.

A formal solicitation was not issued for this requirement. Due to Department policy requiring S1 approval for any pending contract awards, it was necessary to obtain the actual contract cost well in advance of award consideration. To meet this requirement, the contractor was asked to provide their quoted prices prior to the solicitation process. As a result, the quoted amount was available for review and approval, and a full solicitation was not conducted.

(h) Background information about the requirement.

USCIS OCFO is transitioning to the new accounting and financial system—SAP S4/HANA—under the leadership of the Department of Homeland Security OCFO Office. USCIS will be the first of the five Cube Components (USCIS, ICE, DHS HQ (DMO, FPS), S&T, and CISA) to transition to SAP.

Originally, the Department's schedule targeted October 1, 2026, for USCIS' transition to S4/HANA. However, delays in contractual actions, coupled with the recent Executive Order mandating the consolidation of all financial systems within DHS, have significantly shifted the timeline. As a result, USCIS' migration is now projected for fiscal year 2028. This means that USCIS will need to continue operating on the current Federal Financial Management System (FFMS) until the transition to SAP S4/HANA is feasible and executed.

It is critical that current operations remain uninterrupted, as the agency must maintain solvency, fulfill its financial obligations, and carry out essential financial functions such as paying bills and managing expenditures.

Throughout the years, a set of tools has been developed in conjunction with the main financial system—FFMS—to compensate for system capability gaps. DHS Analysis is one of those tools. DHS Analysis allows USCIS accountants to close the books monthly,

quarterly, and annually by balancing the accounting codes and delivering auditable financial statements for internal and external audits.

3. **Description of Supplies/Services.**

The DHS Analysis Tool ensures USCIS stays financially solvent during the migration. The tool was developed to address the capability gaps in the legacy system (Federal Financial Management System (FFMS)). This contract supports the agency's ability to execute its financial responsibilities without disruption and safeguarding the integrity of USCIS' fiscal operations. Without the DHS Analysis tool licenses and support services, USCIS' Financial Management Division would be unable to correct account balances, transactions, and attribute errors in real-time affecting USCIS' ability to deliver mandated and time sensitive financial reporting.

This requirement will provide the following:

- Licenses for the DHS Analysis tool for 25 users (minimum quantity).
- Assistance to the Accounting & Reporting Branch of USCIS OCFO Financial Management Division with GL balancing and monitoring frequency and stability of the FFMS data feed into the tool. User account management and administration.
- Professional services to keep the tool compliant with policy and regulation if any changes are required during operation.
- Targeted professional services to migrate the existing accounting structure to SAP and specifically on monthly, quarterly, and annual closure practices. These services will be associated with explaining the current operations and system workflows so that an appropriate structure can be set up in the new accounting system.

4. **Identification of Statutory Authority Permitting Other Than Full and Open Competition.**

The statutory authority permitting other than full and open competition is 41 U.S.C. 3304(a)(1) implemented by the RFO Subpart 6.103-1 entitled "Only One Responsible Source and No Other Supplies or Services Will Satisfy Agency Requirements."

5. **Identification of Exception to the Buy American Statute**

No exception to the Buy American Act. The vendor is a U.S. based vendor.

6. **Demonstration that the proposed contractor's unique qualifications or the nature of the acquisition requires use of the authority cited**.

(a) Rationale for using the authority cited in section 4 of the J&A;

DHS Analysis is a tool based on proprietary logic and code developed specifically for FFMS operations. It cannot be bought from any vendor other than the vendor that

developed the tool, Empirical Corportation. Empirical Corporation is the designer, developer, and owner of the software application and has not authorized any other resellers as of the current date. As a result, Empirical is the sole distributor of the software, related licenses, and the support services needed to maintain the tool. There are no commercial or non-developmental items from other sources that can satisfy the need. The tool is proprietary in nature and was developed specifically for the systems in place at ICE. USCIS, as a service recipient from ICE, is put in the position of no alternatives. Redeveloping the logic and software will require more time and financial resources than permissible in the timeframe for which the product is needed.

(b) Details covering what events lead to the situation requiring use of other than full and open competition procedures including whether any portion of the work can be segregated to allow for competition;

During the SAP configuration and migration execution, USCIS OCFO will continue to operate on the legacy systems, primarily FFMS and the associated suite of tools. The current operations cannot be disrupted as the agency must continue to operate as a solvent entity, paying its bills and executing other financial transactions.

(c) Summarize alternatives considered and why they will not work; and

USCIS OCFO analyzed the tool and determined that it would be cost-prohibitive to replicate it (i.e., to restore the same functionality by developing a similar tool on a different technical platform). It will also be time-prohibitive to redevelop it as it will require a significant amount of time to develop the same capability that can be acquired by continuing to utilize the same tool through a licensing and support agreement.

Additionally, the proprietary logic of the tool has not been disclosed for analysis, meaning that significant resources will be required to fully understand the intricacies of the business processes and to develop the initial requirements for any redevelopment effort. It is estimated that the analysis and requirements-gathering phase alone will take at least one year and will necessitate the involvement of business analysts with extensive knowledge of accounting rules and the FFMS system.

The FFMS system itself is a proprietary product developed by Savantage Corp. Moreover, the FFMS system used by USCIS is hosted and operated by ICE through an interagency agreement. As a result, even if USCIS were to pursue a redevelopment effort for the tool, access to critical information would be significantly constrained, further complicating the process.

Recreating DHS Analysis as a government-owned product is cost and time-prohibitive at this time. Specifically, as USCIS transitions to the new accounting system soon, the tool will be needed only until SAP takes over accounting operations from the FFMS system.

In this case, the Government has the following alternatives:

- Redevelop the tool at a much higher cost and during an undetermined timeframe that might exceed the timeframe for which the tool is needed
- "Go without" and compensate for the lack of capability with additional human resources that will have to be hired and trained to perform the work. In the meantime, there will be a capability gap that will result in USCIS' inability to properly maintain its accounting operations, balance the financial statements, and maintain auditable status.

Considering the available alternatives, the most economical and advantageous decision for the Government is to acquire the required capability for the limited duration it will be needed.

(d) Impact to the mission that would result if the J&A is not approved and, consequently, the product or service not provided.

USCIS must produce transactional data to support the DHS' consolidated financial statements for an unqualified opinion per the DHS Financial Accountability Act and the Chief Financial Officers (CFO) Act. Losing the tool would have an impact on USCIS's ability to provide accurate financial data as well as impact the ability to meet the Secretary's priority of maintaining a clean audit opinion. Furthermore, USCIS' Financial Management Division would be unable to correct account balances, transactions, and attribute errors in real-time. Many of the errors are fatal errors that prevent the file from being transmitted and/or could cause submission of inaccurate data. Without the tool, the Financial Management Division would need to implement a manual process for researching and correcting errors that would be time consuming and subject to internal control risks due to potential human error. TIER reporting is deadline driven and errors are constant and require immediate resolution for the file to transmit.

USCIS has consistently delivered exceptional financial accounting and reporting data and deliverables to DHS timely and accurately in large part due to access to the tool and its capability to provide real-time access to detailed transactional information not currently available with the financial system alone.

7. **Description of Efforts Made to Ensure that Offers are Solicited from as Many Potential Sources as is Practicable.**

Considering the proprietary nature of the product, no efforts to locate additional sources are feasible as there are no other sources who can re-sell this product. A pre-solicitation notice of USCIS' intent to sole source this requirement synopsis will be posted prior to award.

USCIS will also post the redacted justification to SAM.gov post award as required in RFO 6.301(b).

8. **Determination by the Contracting Officer that the Anticipated Cost to the Government will be Fair and Reasonable.**

   The Contracting Officer has determined that the anticipated prices are fair and reasonable based on a comparison with historical prices paid under the current purchase order, 70SBUR25P00000018. The support services being procured under this follow-on requirement are consistent with those previously acquired.

   Although this purchase order is not being awarded under the vendor's GSA schedule, the quoted labor rates were evaluated against the vendor's GSA price list and similar services provided under other IT contracts. This analysis confirmed that the quoted rates are fair and reasonable.

9. **Description of Market Research.**

   (a) Describe the market research techniques utilized, the specific results of the market research, the date when the market research was conducted, and how the market research was used by the contracting officer to determine price reasonableness.

   The program office conducted market research to determine if the capability could be replicated by another services contract. Several meetings were held to learn about the product's nature and functionality. While it was determined that the reporting capability can be replicated during several months of dedicated effort, the accounting portion contains proprietary algorithms that cannot be replicated without the vendor disclosing the logic behind the code.

   (b) Describe the market research results that support the determination that the items are nonavailable

   The DHS Analysis tool has been developed for the last twenty years while the FFMS system has been in operation. The tool is tailored to work with the FFMS system and provide accurate logic for posting financial data in the General Ledger accounts. The accounts are balanced every month and annually.

   Considering that the tool was developed over many years and finetuned to work with the FFMS system, replicating it via a software development effort will be cost-prohibitive compared to the quoted price for the tool's licenses and time-prohibitive, as it will take an undetermined amount of time to redevelop the capability. Furthermore, the operations cannot be halted while the new tool is being developed.

   (c) If market research was not conducted, a reason for its absence must be cited here.

   N/A

(d) If patents, copyrights, and/or intellectual property are applicable to the acquisition, describe the circumstances for acquiring a patented or copyrighted product on the representation of the intellectual property holder that has not been licensed for resale.

N/A

10. **Any Other Facts Supporting the Use of Other Than Full and Open Competition.**

As detailed in Sections 6 and 9 above, the determination substantiates that, unless USCIS elects to forgo the requirement entirely, the necessary capability of the DHS Analysis Tool can only be obtained through Empirical Corporation.

11. **A Listing of the Sources, if Any That Expressed, in Writing, an Interest in the Acquisition.**

A pre-solicitation notice of the intent to award this requirement on a sole source basis was synopsized. The notice did not request quotes, as there are no other vendors capable of providing the DHS Analysis Tool.

12. **A Statement of the Actions, if Any, the Agency May Take to Remove or Overcome Any Barriers to Competition Before Any Subsequent Acquisition for Supplies or Services Required.**

As stated above, USCIS will be migrating away from using the FFMS system and the associated suite of tools (including this one) when it migrates to an industry-standard Commercial of the Shelf (COTS) system – SAP S4/HANA. Migration to SAP will allow USICS USCIS to cease usage of the proprietary tools.

(Remainder of this page left blank intentionally)

13. Contracting Officer's Certification. I certify that the data supporting the recommended use of other than full and open competition is accurate and complete to the best of my knowledge and belief.

WAYNETTE A GOODMAN

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Date: 2026.06.12 13:18:20 -06'00'

Waynette Goodman
Contracting Officer

14. Technical/Requirements Personnel Certification. I certify this requirement meets the Government's minimum need and that the supporting data, which forms a basis for this justification, is complete and accurate.

[redacted]

Requirement Representative

APPROVAL:

WAYNETTE A GOODMAN

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Date: 2026.06.12 13:19:51 -06'00'

Waynette Goodman
Contracting Officer