

**Defense Microelectronics Activity
4234 54th Street, McClellan, CA 95652
SOO# 22-2D4**

Limited Source Justification

1. Agency and Contracting Activity

Office of Secretary of Defense, Defense Microelectronics Activity (DMEA).

2. Nature/Description of Action

Approval is being requested for a Limited Sources Justification (LSJ) to modify and extend the existing Firm Fixed Price task order (HQ072723F0001) awarded to Carahsoft Technology Corp. under the Department of Defense (DOD) Enterprise Software Initiative (ESI) Blanket Purchase Agreement (BPA) N66001-19-A-0120 for ServiceNow software and maintenance.

This modification is necessary to align the contract's Period of Performance (PoP) with DMEA's non-severable development requirements and address expiring funding constraints. The action extends the overall contract performance period by six (6) months, from 06 October 2027 to 30 March 2028. This results in a consolidated 18-month PoP for the non-severable ServiceNow software licenses and development effort, funded upfront with FY26/27 RDT&E funds. A subsequent priced subCLIN 4001AD severable six-month FFP labor operation and sustainment (O&S) period (1 October 2027 to 30 Mar 2028) will be added to the task order and funded with future RDT&E funds. This action exceeds the standard 5-year limit of the original award (referenced in original LSJ DMEA #22-38). The estimated total price of this total contract extension is [REDACTED]

3. Description of Supplies/Services

This modification extends the existing ServiceNow licenses and data integration services required to implement and sustain DMEA's enterprise-wide ServiceNow platform. The original requirement was established under SOO# 22-2D4. Critically, this effort encompasses the overall non-severable development of specific ServiceNow modules such as project management and contract management. The purpose of this modification is to provide continuous, uninterrupted ServiceNow capability and support for an additional 6 months beyond the original 6 October 2027 end date, utilizing expiring 2-year FY26/FY27 (RDT&E) funds to fully fund this unified non-severable portion of this requirement upfront.

4. Authority Cited and Supporting Rationale

FAR 8.405-6(b)(1): *Items peculiar to one manufacturer. An item peculiar to one manufacturer can be a particular brand name, product, or a feature of a product, peculiar to one manufacturer.*

This extension restricts consideration to the ServiceNow brand name. It is driven by severe agency fiscal constraints, Original Equipment Manufacturer (OEM) licensing restrictions, the unavailability of standard extension clauses, and existing DoD Enterprise Software Initiative (ESI) mandatory source directives:

- **Brand Name Requirement & DoD ESI Mandate:** As established in the original LSJ (DMEA #22-38), ServiceNow is the only project management software platform that meets DMEA and DISA interoperability requirements. Per DoD ESI policy, the acquisition of ServiceNow requires a Brand Name Limited Sources Justification. Furthermore, under the DoD ESI, Carahsoft Technology Corp. is designated as the single authorized mandatory source (via BPA N66001-19-A-0120) for this specific ServiceNow software portfolio. Therefore, restricting the requirement to the ServiceNow brand inherently limits the execution of this effort to Carahsoft.
- **Bona fide need:** The DMEA Program Office requires an 18-month procurement of ServiceNow software licenses for a development project. Therefore, the ServiceNow license portion of this requirement is also non-severable, meaning the entire development effort is a single undertaking that must be funded upfront and is permitted to cross fiscal years to ensure completion. To support this work, which extends through March 2028, DMEA will use FY26/FY27 R&D funds. These funds must be obligated before September 30, 2027, but will allow for the non-severable performance to legally continue into the future. An 18-month license is critical because standard 12-month increments would lead to mission failure from a six-month capability gap or result in a wasteful over-procurement of six months that cannot be used or transferred. This approach represents the most operationally viable and fiscally responsible solution to meet DMEA's bona fide need. The 6 months of severable O&S Roadmap FFP labor (1 October 2027 to 30 Mar 2028) will be funded with FY27/28 RDT&E funds when it is available.
- **OEM Licensing Terms:** ServiceNow's commercial practice strictly prohibits the sale of standalone software license arrangements for periods of less than 12 months. As a result, the Government cannot commercially or legally execute a separate, standalone 6-month bridge contract in October 2027 to utilize the remaining 6 months of funding. The licenses must be aligned to the existing baseline.
- **Inability to Use FAR 52.217-8:** While FAR 52.217-8 (Option to Extend Services) normally permits a 6-month extension, this clause was not included in the original task

order solicitation, nor was the pricing for such an extension evaluated during the initial competition. Based on GAO precedent, the Government cannot unilaterally exercise an unevaluated FAR 52.217-8 option, necessitating this 6-month addition be treated as a new, out-of-scope brand name requirement.

Given these constraints, executing an 18-month modification to the existing ServiceNow software baseline via the mandated ESI vehicle is the only logically and legally viable pathway that prevents the Government from incurring unacceptable duplicative costs (i.e., paying for 24 months of licenses when the budget only supports 18).

5. Determination of Best Value

The Contracting Officer has determined that the anticipated cost to the Government for this contract action will be fair and reasonable based on previously solicited and established DoD ESI BPA rates. This modification represents the best value to the government in accordance with FAR 8.404.

6. Market Research

Market research conducted for the original award, as documented in (DMEA JA #22-38) demonstrated that ServiceNow is the most uniquely compatible project management software with DISA. Carahsoft remains the sole authorized DoD ESI BPA holder for these specific ServiceNow ITAM software products (ESI# N66001-19-A-0120). No other vendor can provide the required OEM licenses to modify the existing baseline to an 18-month license period and also adding O&S priced subCLIN of 6 months to coincide with the task order ending on 30 March 2028.

7. Other Facts

The original DOD ESI BPA (N66001-19-A-0120) awarded to Carahsoft Technology Corp. remains active with a period of performance through 14 July 2029, covering the duration of this proposed extension (ending 30 Mar 2028).

8. Actions to Increase Competition

For the reasons set forth above, DMEA cannot compete this specific extension. However, this extension provides the agency the necessary operational runway to secure proper FY28 funding. DMEA will assess whether additional competition is feasible for future, full-term requirements once this extension concludes.

9. Contracting Officer's Certification

I certify that this justification is accurate and complete to the best of the contracting officer's knowledge and belief.

TUNG.RYAN.CHIH
SHUN.1257178397

Digitally signed by
TUNG.RYAN.CHIHSHUN.1257178397
DN: cn=US, o=U.S. Government, ou=DOD,
ou=PKI, ou=OSD,
cn=TUNG.RYAN.CHIHSHUN.1257178397
Date: 2026.08.18 11:45:43 -0700

Contracting Officer

Date: 8/18/26

Operational Branch Chief

Date: 8/18/26

Office of Counsel

Date: 8/18/26

MEC Division Chief

Date: 8/26/26