

Part II Chapter 05 Sole Source Procurement of Materials

- A. Requirements.** This procedure shall be utilized by Agencies when materials are to be procured without seeking competitive bids, proposals or quotes. The procurement must meet all of the following requirements:
1. Are not listed on an effective DGS statewide requirements contract.
 2. Are not available as a warehouse item from the [DGS Bureau of Supplies and Surplus Operations](#).
 3. Have a total value exceeding the Small, No-Bid Procurement Threshold identified in [Part I Chapter 07, Thresholds and Delegations](#).
 4. Are only available, or must be obtained, from one source.
- B. General.**
1. All sole source procurements must be approved by DGS.
 2. For each sole source procurement Agencies must complete the on-line [Source Justification Form, BOP-001](#). Unless a written waiver is obtained from DGS, the completed form will be posted on the DGS website for public inspection and comment for a period of 10 calendar days unless DGS determines that public posting would be inappropriate or the urgency of need does not permit the delay involved in public posting.
 3. Sole source procurements of materials must also be approved by the Board of Commissioners of Public Grounds and Buildings. The complete file, including the signed and approved contract or purchase order, must be submitted to the Board of Commissioners of Public Grounds and Buildings at least 10 days prior to the scheduled meeting date in order to be considered at that meeting.
 4. For sole source procurements exceeding \$100,000, the supplier must submit a signed [Cost or Pricing Data Certification](#) that certifies, to the best of its knowledge and belief, that the submitted cost and pricing data is accurate, complete, and current. If the contract price is based upon established catalog or market prices, the supplier may submit copies of catalog or published market prices in lieu of cost and pricing data. DGS shall be responsible for obtaining the Cost or Pricing Data Certification from the supplier. The Cost or Pricing Data Certification form can be found on the DGS BOP website.
 5. The Supplier Price Request (SPR), the Source Justification Form BOP-001, and the PO or Contract will provide the record of the sole source procurement.
 6. When the purchase order or contract is issued to the supplier, the Department of General Services shall send the [Political Contributions letter](#) to the supplier reminding the supplier of its responsibility to file a report, by February 15 of each year, with the Secretary of the Commonwealth of all political contributions made by:

- a. Any officer, director, associate, partner, limited partner or individual owner or members of their immediate family whose political contribution exceeded one thousand dollars (\$1,000) by any individual during the preceding year; or
- b. Any employee of the supplier or members of his immediate family whose political contribution exceeded one thousand dollars (\$1,000) during the preceding year.

C. Conditions for Sole Source Procurement. A material can be procured on a sole source basis only if one or more of the conditions listed below exist:

1. Sole Source: Only a single supplier is capable of providing the material. (Similar materials are not available from another supplier.)
2. Material/Repair/Maintenance: Material must be provided by a specific supplier to ensure compatibility with existing equipment. Documentation must be provided from the manufacturer.
3. Used Equipment: See [Part II Chapter 14, Procurement of Used Equipment](#) for value and appraisal requirements.
4. Exempt (Law): A federal or state statute or regulation exempts the procurement from the competitive procedure.
5. Feasibility: It is clearly not feasible to award the contract on a competitive basis.

D. Procedures.

1. Agency.

- a. Determines that the material to be purchased meets the conditions for sole source procurement.
- b. Completes the on-line Source Justification Form by entering all appropriate data and attaching required documentation.
- c. Secures required internal approvals on the on-line source justification form.
- d. Completes the SRM shopping cart and obtains internal approvals via SRM workflow.
- e. Fully approved SRM shopping cart is forwarded, via SRM workflow, to DGS, Bureau of Procurement.

2. DGS, Bureau of Procurement.

- a. Accepted Sole Source Requests: BOP accepts the on-line Source Justification Form BOP-001 and, unless waived in writing by BOP, posts the proposed sole source to the DGS website for 10 days for public inspection and comment.

- (1) Email notification is automatically sent to the requesting agency when the source justification form has been accepted.
 - (2) **NOTE: ACCEPTANCE OF THE SOURCE JUSTIFICATION FORM DOES NOT MEAN THAT THE PROCUREMENT HAS BEEN APPROVED AS A SOLE SOURCE.**
- b. The sole source is assigned to a Commodity Specialist for review.
 - c. Reviews comments received by the public, if any, in response to the posted Source Justification Form BOP-001.
 - d. Contacts the Agency if more information is required.
 - e. If approved by the Commodity Specialist and supervisor, the Commodity Specialist prepares a written Determination Summary explaining the basis for the approval of the sole source and attaches it to the Source Justification Form BOP-001.
 - (1) At any step in the review process a sole source request can be disapproved. The disapproving party will provide an explanation for the disapproval which will be included in the email notification which is automatically sent to the requesting agency when the Source Justification Form has been disapproved. If the Commodity Specialist disapproves, all details will be available in the Determination Summary.
 - f. The on-line source justification form with Determination Summary is forwarded to the DGS Chief Procurement Officer for approval.
 - g. If the sole source is approved by the DGS Chief Procurement Officer after the ten-day public posting period has expired, the Commodity Specialist creates in the SRM System an SPR. Attached to the SPR shall be the specifications for the materials, the terms and conditions created using SRM's Document Builder, the Cost or Pricing Data Certification (if the price is expected to exceed \$100,000), and any other required documents such as the Reciprocal Limitations Act Requirements.
 - h. Using the SPR document type, the Commodity Specialist obtains a price quote from the supplier through the SRM Supplier Portal. If the supplier does not have access to the SRM Supplier Portal, the Commodity Specialist shall print the SPR document and all attachments and send in hard copy to the supplier. The supplier shall then submit to DGS BOP the signed SPR with its price quote and any other required documents.
 - i. Conducts negotiations as appropriate.
 - j. Creates a Purchase Order or Contract as a follow on document to the SPR. If the SPR documents were signed and returned to DGS BOP in

hard copy, the documents shall be attached electronically to the Purchase Order or Contract.

- k. Prepares Form GSPUR-17, Board Letter, indicating the reason for the sole source purchase and forwards completed file for internal review and approval by the following:
 - (1) Secretary of General Services (or designee);
 - (2) Comptroller (if the purchase order exceeds \$10,000)
 - (3) DGS Legal Counsel;
 - (4) Board of Commissioners of Public Grounds and Buildings;
- l. Submits the SPR and proposed contract or purchase order to the Board of Commissioners of Public Grounds and Buildings at least ten (10) days prior to the next scheduled board meeting.
 - (1) A formal agenda is prepared for each Board meeting and the reason, from the Form GSPUR-17, Board Letter, for each sole source procurement is included on the agenda. A copy of Form GSPUR-17, Board Letter, will accompany the Board's agenda when transmitted to the Office of the Budget prior to the Board's meeting.
- m. If approved by the Board, DGS issues the purchase order or contract to the supplier.
- n. Sends the [Political Contributions letter](#) to the supplier reminding the supplier of its responsibility to file a report of political contributions.

References:

- 1. [Bureau of Supplies and Surplus Operations](#)
- 2. [Part I Chapter 07, Thresholds and Delegations](#)
- 3. [BOP-001, Source Justification Form](#)
- 4. [Cost or Pricing Data Certification](#)
- 5. [Political Contributions letter](#)
- 6. [Part II Chapter 14, Procurement of Used Equipment](#)