



## Procurement Department

### PROCEDURE FOR SOLE SOURCE PROCUREMENTS

#### **PURPOSE:**

The purpose of this procedure is to define when the competitive bidding process may be waived in order to execute a sole source procurement request for equipment, goods and services.

#### **SCOPE:**

The Board of Education of the City of St. Louis Missouri has acknowledged there are occasions when products/services must be purchased from one single source vendor or manufacturer.

A sole source purchase is one where there is only one vendor capable of providing an item or service, and therefore it is not possible to obtain competitive bids.

Preference for one vendor, product, or service, quotation, acquisition or demonstration testing by a department does not constitute a sole source.

All purchases and contracts for equipment, goods and services (\$5,000 and over) are awarded through a competitive process to the lowest responsible, responsive bidder except in those instances when only one (1) vendor source exists for a needed good or service and is approved by the Superintendent or his / her designee.

#### **AUTHORITY:**

The Chief Financial Officer or designee has been delegated the authority to review, approve and challenge any sole source request for equipment, goods and services, prior to issuance of purchase order unless a sole source justification is on file.

**Note:** A request for a proprietary item does not justify a sole source procurement if there is more than one potential bidder for the item (remember that if your requirement is available from more than one source, it is not considered a sole source). Additionally, budget considerations are not sufficient grounds to approve a sole source purchase.

#### **SOLE SOURCE JUSTIFICATION:**

Should you request that products/services be purchased on a sole source basis, it must meet one of the criteria shown below. The requisitioning department must provide a written explanation form, commonly referred to as a "sole source justification", to support your department's request.



**Examples of Sole Source Purchases are:**

1. No reasonable alternative source exists.
2. Whereas only one source may exist to provide a particular equipment, good or service and therefore it is not possible to obtain competitive bids.
3. Where items must be compatible or proprietary with existing equipment and/or systems and are available only from the original manufacturer or from a single distributor.
4. Where changing brands or manufacturers would compromise the continuity or integrity of a project or proprietary items; (e.g., software; hardware, etc.).
5. Where the main purpose for acquiring equipment or supplies is to replicate specific experiments, using the exact products that produced the original results.
6. Where a particular product or service is desired for educational, training, experimental, developmental or research work.
  - a. A waiver requested for this reason must include an explanation of why other products or services cannot meet user's needs.
7. Where required by another governmental agency or charitable non-profit organization to comply with an authorized cooperative project.
8. Where the product is specifically identified as part of a research grant award. The product must be a grant award requirement with evidence of due diligence (pricing competitiveness and reasonableness) provided.

**SOLE SOURCE PROCEDURES:**

1. A sole source purchase must be based on the requestor's investigation and evaluation of the requested product and its availability (or lack of availability) from multiple sources.
2. The Sole Source Justification form must be completed and signed by the Deputy Superintendent or designee, Deputy Superintendent of Accountability & Technology (if required), Chief Financial Officer or designee, and Superintendent or designee, as indicated on the form.
3. Requisitioning departments are to submit a written justification as to why no other source of goods or services can be obtained to meet the District's requirements to the Procurement department.



**DO NOT INCLUDE WRITTEN JUSTIFICATION ON PURCHASE REQUISITION.**

4. No request will be processed without proper documentation, including a written quotation from the sole source vendor.
5. Upon receipt, Chief Financial Officer or designee will evaluate the sole source request and make a determination within five (5) business days whether there are other known vendors who can provide the requested equipment, goods, or services.  
**Note:** Approximately five (5) business days are required to evaluate and process a sole source request. Please consider this when submitting a request, and allow sufficient time prior to deadlines (quote expiration, grant expiration, etc.) for the sole source request to be evaluated
6. If Sole Source form request is denied, the request will be returned to the requestor by email notification stating the reason why the rejection and documented by the Procurement department.
7. If Sole Source form request is approved, the Procurement staff, under the supervision of the Procurement Director, reviews the terms and conditions before processing the requisition request.
8. Any requisition \$5,000 to \$14,999.99 shall be presented to the Superintendent for his/her review and approval.
9. Any requisition \$15,000 and above shall be presented to the Superintendent for his/her review and The Board of Education of the City of St. Louis Missouri approval.
10. Once Sole Source procurement is approved, the requester must enter a purchase requisition for the requested equipment, goods and services.

**SPECIAL NOTE:** The Procurement Department will conduct periodic reviews of the use of Sole Source requests by the user departments to determine if the scope and intent of the sole source procedure is being followed. Failure by departments to utilize and follow the sole source procedure as it is intended, may be sufficient reason to withdraw the privilege of tis continued use as a purchasing tool.