Sole Source Workshop

UH APM A8.255
RCUH P&P 2.120

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Why?

**Competitive Purchasing**
- UH & RCUH purchase on a competitive basis
- Taxpayers’ $$$

**Source Selection Methods**
- Competitive Solicitation (preferred)
- Exempt Procurement
- Sole Source Procurement
- Emergency Procurement

**Preference * Procurement**
Definitions

UH Administrative Procedures Manual A8.255

- When there is only one source available from which particular goods, services or construction may be obtained, University policy permits purchases from qualified vendors without soliciting competitive quotations, if certain criteria is met

RCUH Policies & Procedures 2.120

- A non-competitive purchase is permitted when a particular product or service is only available from one source or vendor, and when the product is the only one that can fulfill a requisitioner's needs

Criteria

Essential Requirement

- The University department has a unique requirement which is essential in order for the department to accomplish its work

Unique Feature/Characteristic/Capability

- This requirement can only be met by particular goods, services, or construction which have the required unique feature, characteristic, or capability, e.g., propriety items; compatibility with existing equipment; or public utility repairs or construction that can only be provided by the utility company

One Source

- The particular goods, services, or construction having the unique feature, characteristic, or capability are available from only one supplier or source.
Is it? Is it not?

**What is a sole source?**
- Item is **compatible** with existing equipment or systems and is available from only one source
- Item has **unique** features **essential** for the completion of the task or project and is available from only one source
- When changing brands or manufacturers would compromise the **continuity** of the research project or proprietary items, i.e., copyrighted software, publications, etc.
- Justification will include features which are unique and essential for the intended use that other manufacturers of like products do not offer

**What is not a sole source?**
- Item is referred to by an exact brand, but there are other brands that qualify as "acceptable alternatives" or "equals"
- Item is unique, but is available from more than one source (sole brand)
- Item is specified by brand name and model number in a grant proposal ... this does not constitute sole source approval
- Potential loss of funds at the end of a fiscal year or grant is not a basis for sole source
- Person or organization has been furnishing services to a department ... this does not mean that the person or organization is the only source for this type of service
- Preference does not constitute sole source

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**Sole Brand ≠ Sole Source**

**Definition**
- When an item is unique, but is available from more than one supplier, the purchase shall be considered a "sole brand" purchase rather than a sole source purchase and shall be subject to a competitive solicitation.

**OPRPM Form 144 Sole Brand Justification**
- Except for purchases not exceeding $2,500 and exempt purchases under Section A8.220, all requests for sole brand purchases must be justified via OPRPM Form 144 Sole Brand Justification. OPRPM Form 144 shall be approved by PI/Dept Chair and FO prior to issuing Request for Quotations.

**Designation**
- Once OPRPM Form 144 is approved, designate brand name and model number in the Request for Quotations.
When

When is a sole source form required?
- For UH & RCUH
- For all purchases ≥$2,500 that meet the criteria listed on previous slide

When is a sole source form not required?
- For UH only
  - If the procurement is pre-approved as a Sole Source Procurement, the following statement should be typed on the Purchase Order:
  - Approved for sole source procurement pursuant to APM A8.255, Sole Source No. ___
- For UH & RCUH
  - If procurement is considered an exempt procurement. The following statements should be typed on the Purchase Order:
  - Exempt purchase, pursuant to APM A8.220, Exemption No. ___

Documentation

Submit with requisition:
- Quote
- OPRPM Form 65: Request for Sole Source
- OPRPM Form 95: Determination of Cost or Price Reasonableness
- UH Form 39: Authorization to Purchase Equipment with Federal Contract or Grant Funds (fed funds only)
Completing the Form

PART IA

- "The requested goods, services or construction have unique or special design/performance features, characteristics or capabilities which are essential and required to accomplish my objective. These features and reasons why each is essential to my needs are:"

In Other Words:

- These are the unique characteristics of the goods/services and here's how these unique characteristics are essential to completion of project.

Apple No. 1
"The One We Want!"

- **Color:**
  - The color of this apple is red. A red apple is essential for ...

- **Size:**
  - The size of this apple is large. A large apple is essential for ...

- **Texture:**
  - The texture of this apple is smooth. A smooth apple is essential for ...

- **Taste:**
  - The taste of this apple is sweet. A sweet apple is essential for ...
Completing the Form

PART IB

• "In addition to the goods, services or construction requested, I have contacted other suppliers and considered their product or service of similar capabilities. I find their product or service unacceptable for the following reasons (identify companies contacted, model number, if applicable, and specific technical deficiency)."

In Other Words:

• Compare and Contrast with other vendors’ comparable products

Apple No. 2

• Color:
  • The color of this apple is green. As stated in Part IA, a red apple is essential for ...

• Size:
  • The size of this apple is large. A large apple is essential for ...

• Texture:
  • The texture of this apple is smooth. A smooth apple is essential for ...

• Taste:
  • The taste of this apple is sour. As stated in Part IA, a sweet apple is essential for ...
Apple No. 3

- **Color:**
  - The color of this apple is red. A red apple is essential for ...

- **Size:**
  - The size of this apple is small. As stated in Part IA, a large apple is essential for ...

- **Texture:**
  - The texture of this apple is smooth. A smooth apple is essential for ...

- **Taste:**
  - The taste of this apple is sweet. A sweet apple is essential for ...

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Completing the Form

**PART II**

- "If sole source approval is deferred or denied, it will have the following impact on the program/project:"

**In Other Words:**

- What's the worst thing that could happen without these goods/services?
Completing the Form

PART III

• “The requested product or service is available only from.”

In Other Words:

• The goods/services should only be available from one source. Otherwise, we shouldn’t be completing this form. In which case, we should be obtaining quotes instead.

Helpful Reminders

EASY!

• The Sole Source Form is easy, if it’s truly a sole source, that is. If you’re struggling to complete the form, maybe it’s not a sole source … hmm???

PROTEST-PROOF!

• The Sole Source Form needs to be able to withstand potential protests from other vendors.