

# *Policies and Standards*

<i>SECTION:</i> <b>Purchasing</b>	<i>NO.</i> <b>3.12</b>		
<i>CHAPTER:</i> <b>Process</b>	<i>ISSUED:</i> <b>1993</b>	<i>REV. A</i> <b>11/00</b>	<i>REV. B</i> <b>08/07</b>
<i>POLICY:</i> <b>Single/Sole Source Justification</b>	<i>PAGE 1 OF 2</i>		

## **PURPOSE**

To allow for purchasing, under certain conditions, from a single/sole source.

## **SCOPE**

This policy applies to all transactions with the defined dollar limit.

## **POLICY**

Purchasing may waive the competitive process for equipment, material, supplies, or services with a unit value exceeding \$10,000 and approve single/sole source procurement. Purchasing judges the reasonability of single/sole source procurement based on the requester's investigation, evaluation and documentation of alternate sources of supply and that rejection of similar products is based solely on failure to meet specific and necessary specifications. In cases where an alternate supplier of a similar product is not available, the requester must provide the names of suppliers who were contacted in seeking other sources. In the case where items are to be purchased from a specific supplier and where substitutes to the supplier or brand are unacceptable, a written justification must be included.

When a federal grant specifies consultants or professional services by name or company and when the grant approval includes these named consultants, bidding requirements may be waived and these consulting services may be considered sole source procurements. A copy of that portion of the approved grant that names individuals or companies must accompany the requisition.

The Purchasing Department will negotiate the purchase, obtaining the best price, terms and delivery available.

## **DEFINITIONS**

**Sole Source:** A proprietary item - an item produced and marketed by a person or company having exclusive right to manufacture and sell it.

**Single Source:** A commodity which may only be obtained from one supplier, usually because of its technological, specialized, or unique character.

## **PROCEDURES**

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Complete a Single/Sole Source Justification Form specifying circumstances that make a substitute unacceptable. The justification must be supported by factual, auditable statements of need, and must be signed by the Principal Investigator, Department Head, or Director.

The justification may include, but is not limited to, the following reasons:

- Need to secure repair or replacement parts for particular types of equipment
- Need to obtain unique supplementary or auxiliary components from the manufacturer for existing equipment
- Need to meet physical design or quality requirements
- Need to comply with established University standards
- Need to acquire items with specific characteristics, essential to the proposed use, that are not available from other sources
- Additional internal cost would be incurred by changing brand names, in this application

If the justification includes any of the following reasons, the requesting department must provide supporting documentation and/or how the priority of the reasoning affects the purchase:

- The supplier will allow "X" of dollars trade for the old unit
- The supplier has it in stock and can deliver immediately
- The supplier will give "X" number of accessories free
- A "deal" has been worked out with the Sales Representative whereby we will...

Forward the form and supporting documentation as per the approval levels indicated in Purchasing Policy 1.2.

## **ADMINISTRATION AND INTERPRETATIONS**

Questions regarding this policy or procedure should be directed to the Director of Purchasing.

## **ADMENDMENT/TERMINATION OF THIS POLICY**

The University reserves the right to modify, amend, or terminate this policy at any time.