

<i>City of Commerce</i> Finance	Purchasing	SOP	710
Subject: Sole Source SOP		Version No	1.0
		Effective Date	5/31/11

Purpose

The purpose of this Sole Source policy is designed to establish procedures for the procurement of a supply, service and equipment item for which there is only one source or a single supplier.

Definition:

Sole Source purchases are goods and services available from only one vendor. There may be just one vendor because of the uniqueness of the item, proprietary software, patents or copyrights or simply because the vendor is the only one which supplies the good or service.

Application:

Applies to the procurement of materials or services made under sole source conditions that are only available from one source.

Procedure:

Below are the steps to be followed for sole source procurement situations using the Commerce Sole Source Form:

- 1) The requesting department shall complete and provide to the Purchasing Division a Sole Source Form. The Commerce Sole Source Form is available on Eforms.
- 2) The requesting department shall check off the appropriate sole source description on Section I Part A of the Commerce Sole Source Form.
- 3) The requesting department shall provide justification and explanation on Section I Part B of the Commerce Sole Source Form.
- 4) The requesting department shall provide cost analysis on Section II and additional explanation in Section III on the Commerce Sole Source Form.
- 5) Once the Commerce Sole Source Form is complete and signed by the department head then the form will be filed, attached and uploaded to the requisition.



City of Commerce

Single/Sole Source Justification Form

Brief Description of Purchase: _____

Selected Vendor: _____

Check boxes as appropriate:

(SECTION I) SOURCE JUSTIFICATION

PART A

Award to **SINGLE SOURCE** (*Check one*)

- Reorder based on previous bid or analysis (within one year). Send copy of previous quote. Supply previous purchase order number _____ PO Date _____.
- Repair services or parts unavailable from any other source except original equipment manufacturer or their designated servicing dealer.
- To custom/unique design, production and installation services compatible with existing equipment. (i.e. art, furniture)
- Compatibility of equipment or supplies required. List equipment with which purchase will be used: Model # _____ Serial Number _____.
- Upgrade to existing proprietary software and implementation services. It's availability only from the producer of this proprietary software.
- Used or demonstration equipment available at a lower-than-new cost. (Provide copy of quote showing used vs. new pricing.)
- Other. (*Explain in Section III*)

PART B

Award to **SOLE SOURCE** (*Check box below*)

- Only known source in the world. (*Explain technical or other reasons why similar or like items are not available for cost/price analysis in Section III.*)

(SECTION II) ESTABLISHMENT OF PRICE REASONABLENESS

Analysis of offer and/or offers has determined that the price proposed is determined to be fair, reasonable and in the best interests of the City of Commerce based on the following:

- Price obtained was from a catalog or standard price list regularly maintained by the vendor covering standard commercial products sold. *(Attach copy of vendor's price list.)*
- Price obtained includes a government discount from current list prices. *(Attach copy of quote showing list price and net price paid.)*
- Other. *(Explain Below.)*

(SECTION III) EXPLANATION

(Use additional sheet if needed)

SECTION IV AUTHORIZATION/APPROVALS

Requestor _____ Date _____

Department _____ Requisition/Order Number _____

Department Head Signature _____ Contact Phone Number _____

Printed Name _____ Contact E-mail Address _____

Finance/Purchasing Authorization: Signature _____ Date _____