

University of Kentucky Purchasing Division	<u>Document Number:</u> 18-01	<u>Title:</u> Single / Sole Source - Overview	Page 1 of 2
---	--	--	--------------------

The Commonwealth of Kentucky Model Procurement Law requires that competitive bids be solicited for purchases of \$100,000 or more. Exceptions to this law must be justified in written form. Justifications must be approved by the appropriate Purchasing Official. Both the University and its agents could be held liable for contracts issued through the Single/Sole Source procedure if the decision is based on false or incomplete information. All such requests must be fully substantiated.

The requisitioner and/or end user should be able to document a thorough and equitable evaluation of alternatives which have been made. Special or unique features may be used as a consideration; however, price, quality and/or delivery terms may not be used as a basis for Single/Sole Source justification. The Single/Sole Source form is to be completed by the requisitioner and should accompany the Shopping Cart/Requisition when requesting a Single/Sole Source purchase of \$100,000 or more. This form will be made a part of the official file and will be available for inquiry and audit purposes.

Single/Sole Source requests may not be used for the purpose of expediting a purchase that otherwise would not qualify as a Single/Sole Source. Pricing may not be used as a qualifier for Single/Sole Source purchases.

Per Section 45A.095 (Noncompetitive negotiations) of the Kentucky Model Procurement Code:

"Single/Sole source is a situation in which there is only one (1) known capable supplier of a commodity or service, occasioned by the unique nature of the requirement, the supplier, or market conditions. Competitive bids may not be required:

- (a) For contractual services, where no competition exists, such as telephone service, electrical energy, and other public utility services;
- (b) Where rates are fixed by law or ordinance;
- (c) For library books;
- (d) For commercial items that are purchased for resale;
- (e) For interests in real property;
- (f) For visiting speakers, professors, expert witnesses, and performing artists;
- (g) For personal service contracts executed pursuant to KRS 45A.690 to 45A.725;and
- (f) For agricultural products in accordance with KRS 45A.645."

In public purchasing, competition is assumed to exist. A Single/Sole source exists when any acquisition restricts a contract to one vendor.

Examples of a Single/Sole Source:

- 1. One-of-a-kind equipment for which there is no comparable competitive product.
- 2. A component or replacement part for the original equipment manufacturer and there is no commercially available substitute.
- 3. An item where compatibility to existing equipment or system is an overriding consideration.

University of Kentucky Purchasing Division	<u>Document Number:</u> 18-01	<u>Title:</u> Single / Sole Source - Overview	Page 2 of 2
---	--	--	--------------------

4. An item where equipment or products are being purchased to supplement existing equipment in a classroom and compatibility is necessary to provide uniformity for instructional purposes.
5. A product or service is needed to replicate specific experiments using the exact product or service that produced the original research results.
6. An item is specifically and clearly required by a grantor or other provider of funds.

Process:

1. The department completes and signs the Single/Sole Source Justification Form (available from the UK Forms website) and attaches to the Shopping Cart/Requisition along with the quote. The form must have two signatures from the department / area / college.
 2. The Contracting Officer reviews and adjudges the Single/Sole Source form and confirms via research whether the good or service is only available from one entity. This may consist of internet research, additional inquiry with the department, etc.
 3. If approved, the Contracting Officer approves and signs the form along with a statement confirming the justification.
 4. Manager of the Contracting Officer reviews and approves/rejects form.
 5. If approved, scan completed and signed form and attach to the purchase order along with any other relevant information. If not approved, the Contracting Officer is required to conduct a competitive solicitation for the purchase.
 6. Place "Sole Source" or "SSJ" in the tracking field of the Purchase Order.
-