

PA TYPE	DESCRIPTION
OKP	Only Known Provider
75-3739(a)(1)	<p>(a) All contracts for construction and repairs, and all purchases of and contracts for supplies, materials, equipment and contractual services to be acquired for state agencies shall be based on competitive bids, except that competitive bids need not be required in the following instances:</p> <p>(1) For contractual services, supplies, materials, or equipment when, in the judgment of the director of purchases, no competition exists;</p>
Background and Standards	Because of the statutory requirement for competitive procurement and the reporting of any non-competitive transactions, it is imperative that the agency provide complete but concise documentation to support their PA Request for a non-competitive procurement.
Expectations	As a part of its market research, agency must be able to show how minor deviations in size and operational characteristics from those set forth in any product or service specification will be considered when such deviations do not alter nor deter the agency from accomplishing its intended usage or function.
	<p>PA Request must include information about lack of competition within the following categories</p> <ul style="list-style-type: none"> * Analysis of choice to seek non-competitive Prior Authorization <ul style="list-style-type: none"> ^ What is the impact of changing from the desired or specified equipment or services? ^ What is the impact of bidding the equipment or services? * Analysis of the sourcing market for the acquisition <ul style="list-style-type: none"> ^ How do you know the price is competitive? Who else did you contact? ^ Is there competition within the brand? Amongst other providers of similar products? ^ Did you consider similar products manufactured by others?
	<p>Research Expectations</p> <ul style="list-style-type: none"> * A letter from a vendor claiming to be the only provider must not be used as the sole documentation <ul style="list-style-type: none"> ^ Confirm the vendor's claims through independent means * Relying on simple "Google searches" won't meet research expectations <ul style="list-style-type: none"> ^ Extreme Example: If you are buying bowling balls, you shouldn't make contact with Dairy Queen as a potential supplier ^ Contact the manufacturer to ask about available distributors (or lack thereof) ^ Consider peer programs in other jurisdictions; what suppliers or sources do they use? ^ Contact a professional organization to see if they know of alternate suppliers ^ Contact the manufacturer and ask them for the names of their competitors
Repetitive Purchases	<ul style="list-style-type: none"> * Establish a long-term price agreement for items that will be purchased repetitively * Using a bid process can eliminate repetitive PA requests and/ or reporting requirements
Examples	<ul style="list-style-type: none"> * Company MCH offers a unique product and restricts distribution to exclusive territories. Extensive agency research which confirms the exclusive distribution is included in PA Request documentation. * Agency wishes to contract with a major newspaper for classified advertising. The Agency noted that this paper is the sole major newspaper in the city and that the contract allows all agencies get a reduced rate for advertising. Due to absence of any competition, the PAR Team approved this PA. * Agency wishes to contract with an advertising firm to create an ad campaign. - This is not a sole source * Agency wishes to contract with an advertising firm to work with media outlets (TV, Radio, Print) to place public service announcements created by a national organization. - This is not a sole source. * Agency wishes to contract <i>directly</i> with a specific media outlet due to the target audience for placement of existing advertising content - This may be a non-competitive transaction - subject to review by Procurement. * Agency wishes a contract with an advocacy group that maintains a depository of information concerning the licensing and identification of operators of commercial vehicles and the disqualification of these operators from operating commercial vehicles. The federal government mandated the creation of such a data warehouse some years ago, and significant Agency research has shown that only one entity has created this type of database. Due to absence of any competition, the PAR Team approved this PA.