

IBM/curran

GOODS AND SERVICES SINGLE SOURCE JUSTIFICATION FORM

This form is to be used when an agency believes an acquisition is a single source and the acquisition dollar amount is above \$2,500. ALP Certified Buyers can approve only up to their delegated authority, but not to exceed \$50,000. The Agency Head or Agency Head Delegate must sign if the acquisition is over \$50,000. If the request is over the ALP authority of the certified buyer or over \$50,000, the form must be submitted for approval to: Department of Administration, Materials Management Division, 112 Administration Building, 50 Sherburne Avenue, St. Paul, MN 55155, Fax number 651.297.3996. Type in the shaded fields on this form, "save as" a Word document, and print it. The signed form must be retained in the purchasing file.

DEPARTMENT NAME Commerce	DIVISION NAME Health Insurance Exchange
PROPOSED CONTRACT VENDOR Company: IBM Corporation Address: 650 3rd Avenue South Minneapolis, MN 55402 Telephone: (612) 397-6117 Web Address: Contact: Todd Helman E-mail: trhelman@us.ibm.com	NEED IDENTIFIED (date) 10/5/2012
	REQUESTED DELIVERY DATE 10/31/2012
	QUOTED PRICE \$1,200,000.00

DESCRIPTION OF GOODS OR SERVICE REQUIRED:
The goods and services required are additional licenses for previously purchased software and the related support services for one year for those licenses. The software in question are various functional modules for an integrated eligibility system including modules for the provision of intake, eligibility determination, and account management.

SINGLE SOURCE CATEGORY (Check applicable box and attach documentation or provide explanation below.)

<input type="checkbox"/> Legislation or appropriation mandates use of contract vendor (Legislation attached)	<input checked="" type="checkbox"/> Software license renewals, additions, or upgrades available from only one source
<input checked="" type="checkbox"/> Warranty voided if service provided by other contract vendor	<input type="checkbox"/> Brand compatibility available from only one source (no other distributors) (confirming letter from original manufacturer attached)
<input checked="" type="checkbox"/> Other	<input type="checkbox"/> Other proprietary situation

THIS PROCUREMENT IS A SINGLE SOURCE BECAUSE (attach additional page if needed):
In addition to the justifications marked above, initial purchase of the software licenses was made through a professional and technical contract awarded after an open and competitive solicitation. Additionally, the option to purchase additional licenses and related support services was also secured through this professional and technical contract awarded after an open and competitive solicitation.

- NOTE: The following are unlikely to be sufficient single source justifications:**
- ◆ Personal or agency preference for a product or vendor
 - ◆ Agency perception that the vendor is the best qualified (this should be determined through a competitive process)
 - ◆ Lack of agency planning resulting in limited time to conduct a competitive procurement
 - ◆ Past or existing relationship with the vendor
 - ◆ Special incentive or deal offered (can be assessed in open and competitive solicitation)
 - ◆ Agency convenience

SEARCH

Minnesota Statute § 16C.02 subdivision 18 states: "Single source" means an acquisition where, after a search, only one supplier is determined to be reasonably available for the required product, service, or construction item.

<p>A search was conducted consisting of: (check all that apply)</p> <input type="checkbox"/> Internet search <input type="checkbox"/> Market research / other vendors contacted <input type="checkbox"/> Public notice given on MMD website <input checked="" type="checkbox"/> Other	<p style="text-align: center;">RESULTS</p> <p>AFTER THE SEARCH...</p> <input type="checkbox"/> no alternatives were identified <input checked="" type="checkbox"/> no alternatives were deemed acceptable because (explain below):
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Describe the search from above in detail:
 As described above, the initial purchase of software licenses was made through a professional and technical contract awarded after an open and competitive solicitation. Additionally, the option to purchase additional licenses and related support services at this price was negotiated as a term of the professional and technical contract awarded after an open and competitive solicitation. Commerce received 19 responses to the initial RFP for the professional and technical contract and these proposals included various types of software from a variety of vendors in order to provide some of the functionality described above. Therefore, the search for a reasonably available product or service occurred in the course of this solicitation.

PRICE

Minnesota Statute § 16C.10 subdivision 1 states: The solicitation process described in this chapter is not required when there is clearly and legitimately only a single source for the goods and services and the commissioner has determined that the price has been fairly and reasonably established.

<p>Price has been fairly and reasonably established by:</p> <input type="checkbox"/> Comparison to previous comparable purchase <input type="checkbox"/> Independent estimate <input type="checkbox"/> Market survey	<input type="checkbox"/> Comparison to public sector contract pricing <input type="checkbox"/> Discount off published catalog pricing <input checked="" type="checkbox"/> Other, explain:
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Describe methodology and results (attach any written supporting data, e.g., survey or market analysis):
 As described above, the initial purchase of software licenses was made through a professional and technical contract awarded after an open and competitive solicitation. Additionally, the option to purchase additional licenses and related support services at this price was negotiated as a term of the professional and technical contract awarded after an open and competitive solicitation. Commerce received 19 responses to the initial RFP for the professional and technical contract and these proposals included various types of software from a variety of vendors in order to provide some of the functionality described above. Therefore, the price for these goods and services have been fairly and reasonably established as a part of this open and competitive solicitation.

CERTIFICATIONS

I certify all of the following (all boxes must be marked):

- I recognize that state law requires the use of competitive solicitations unless exempted by law. I have reviewed the information and materials relevant to this procurement of goods and services, and am requesting approval of an exception to the competitive process for the reasons described;
- the price to be paid to the proposed single source vendor is fair, reasonable, and provides the best value to the State of Minnesota; and
- this request for an exception to the competitive solicitation process is not the result of inadequate advance planning or for purposes of securing the services of a preferred vendor.

1. Signature of Person Requesting Single Source Status (Required)

<i>April Todd-Mahub</i>	<i>April Todd-Mahub</i>	<i>10-22-12</i>	
Printed Name	Signature	Date	
<i>Exchange Director</i>	<i>657-296-6572</i>	<i>april.todd-mahub</i>	
Title	Phone Number	E-mail	Fax Number
		<i>@state.mn.us</i>	

2. ALP Certified Buyer (ALP Certified Buyers can approve only up to their delegated authority, but not to exceed \$50,000.) Approved & within my delegated authority Reviewed & forwarded to MMD

Printed Name: Jennifer Horstman Signature: Jennifer Horstman Date: 10/24/12
Title: Buyer Phone Number: 651-296-3407 E-mail: Jennifer.Horstman@state.mn.us Fax Number: _____

SEND TO MMD WHEN ABOVE THE AGENCY BUYER'S DELEGATED ALP AUTHORITY

3. Agency Head or Agency Head Delegate Signature (Agency Head or Agency Head Delegate must sign if the request is over \$50,000. The single source request must then be sent to MMD.)

Signature: Steen Glahn Date: 10/24/12
Title: Agency Commissioner E-mail: stee.glahn@state.mn.us Phone Number: 651-297-2750

4. Dept. of Admin, MMD (ALP Certified Buyers can approve only up to their delegated authority, but not to exceed \$50,000. All other requests must be sent to MMD for consideration of the appropriate MMD staff.)

Approved. You are given a one-time special delegation to process this Single Source acquisition. You must create a solicitation document containing the State's terms and conditions for the vendor to sign when providing the firm price quote to you; then issue a purchase order. (Any terms and conditions proposed by vendor must be approved in writing by your agency's attorney general or MMD and retained in file, before issuing order.)

Approved. If over \$10,000 and within your ALP authority, you must create a solicitation document containing the State's terms and conditions and advertise on the MMD.

Approved. Please send an Open Market Requisition (OMR) to MMD to process.

Not Approved. Reason: _____

Signature: Lucy J. Jannette Date: 10/29/2012
Title: AMS E-mail: lucy.jannette@state.mn.us Phone Number: 651-201-2446

