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I. Purpose.

This document covers procurement policies and procedures pertaining to sole source procurements of IT goods and services. Executive branch agencies, as defined by [§2.2-2006](#) of the *Code of Virginia* and used herein as "agency/ies and institutions", are subject to these policies and procedures, except those agencies and institutions explicitly exempted by the *Code of Virginia*.

II. Definitions.

"*Sole source procurements*" are those in which the cost of the procurement exceeds \$10,000, there is only one solution to meet an agency's needs, and only one supplier can provide the IT goods and/or services required for the solution. Competition is not available for sole source procurements. Procurements in an amount less than \$10,000 are considered small purchases; therefore, sole source policies and procedures are not applicable.

"*Proprietary procurements*" are those in which there is only one solution to meet an agency's needs; however, multiple suppliers may provide the IT goods and/or services required for the solution. Competition may be available for proprietary procurements; therefore, the sole source process does not apply for these procurements.

Policies- What you need to do

III. General Information.

If only one source is practicably available for procurement of IT goods or services, a contract may be negotiated and awarded without competitive negotiation or competitive sealed bidding.

IV. Authority for Sole Source Procurements.

Unless otherwise instructed, agencies, as defined by [§2.2-2006](#) of the *Code of Virginia*, have delegated authority for sole source procurements of non-infrastructure goods and services up to \$100,000. All other sole source procurements for agencies, as defined by [§2.2-2006](#) of the *Code of Virginia*, are not delegated and should be handled by VITA's Supply Chain Management (SCM). Because sole source procurements are not competitive, approval is granted on an exception-only basis.

V. Enterprise Cloud Oversight Services (ECOS) process.

Regardless of the amount, if the Sole Source Procurement involves an off-premise (cloud hosted) solution, agencies must follow the [ECOS Process](#) and [Third Party Policy Workflow](#). A Security Assessment of the cloud service will need to be completed by the supplier and approved by ECOS, via a work request 1-003, and special Cloud Services Terms & Conditions must be included in the contract prior to award.

VI. Negotiating a Contract.

For any sole source procurement, agencies, as defined by [§2.2-2006](#) of the *Code of Virginia* (VITA or the delegated agency), shall negotiate the optimal price and contract terms with the supplier.

VII. Notice of Award.

Agencies, as defined by [§2.2-2006](#) of the *Code of Virginia*, must post a written notice of award specifying what is being procured, the contractor selected, the date the contract was or will be awarded, and a statement that only one source was determined to be practicably available. This notice shall be posted on [eVA](#) and may be published in a newspaper of general circulation on the day the public body awards or announces its decision to award the contract, whichever occurs first, or as soon thereafter as is practicable. Posting on [eVA](#) is required by all state public bodies. Local public bodies are encouraged to utilize [eVA](#).

Procedure- How you implement the policies

VIII. Sole Source Procurement Requests.

Agencies, as defined by [§2.2-2006](#) of the *Code of Virginia*, must utilize the following approval process to request a sole source procurement:

1. Forward a completed Sole Source Procurement Approval Request form to VITA's Supply Chain Management (SCM) at scminfo@vita.virginia.gov. This form is located on the web at: <http://vita.virginia.gov/supply-chain/scm-policies-forms/scm-policies/>
2. After approval is obtained (see *Annex* for Approval Guidelines), the agency, as defined by [§2.2-2006](#), shall negotiate the contract and proceed with the purchase utilizing [eVA](#).

Authority Reference(s)

[§ 2.2-2006](#) of the *Code of Virginia*; includes the definition of "executive branch agency"

[§ 2.2-4303\(E\)](#) of the *Code of Virginia*; Identifies the characteristics of a sole source procurement situation and the public notice requirements for sole source procurements.

Annex – Approval Guidelines

The table below provides approval requirements and routing guidelines for the Sole Source Procurement Approval Request Form:

	Infrastructure Goods/Services	Non-Infrastructure Goods/Services
Delegated Procurements	All infrastructure goods/services are non-delegated	Amount: up to \$100,000 Approval: Agency head or designee; SCM approval is not required Attach to eVA requisition.
Non-Delegated Procurements	Amount: Any Approval: Local Area Coordinator/Regional Service Director Route to SCM	Amount: over \$100,000 Approval: Agency head or designee Route to SCM