



DEEP DIVE ON SOLE-SOURCE PROCUREMENT FOR POS AND PSA CONTRACTS

WEDNESDAY APRIL 28, 2021

TODAY'S TRAINING ROADMAP

OPM's procurement reform initiative

Review of POS and PSA procurement fundamentals

Overview of non-competitive procurement

When and how to do a non-competitive procurement

Justifying a non-competitive procurement

OPM waiver codes

Questions and answers

OPM PROCUREMENT REFORM

- Secretary McCaw announced heightened expectations for competitive procurements in August 2019.
- OPM procurement reform team undertaking initiatives to increase competitive procurement with agency help.
- OPM collects data on competitive procurements in monthly waiver report and annual reports.



WHAT IS PROCUREMENT?

SOURCING AND ACQUIRING THE GOODS AND SERVICES THE STATE NEEDS TO DO BUSINESS

- Get the best quality services at the best prices
- Use *public* funds, so we have to spend carefully
- Avoid conflict of interest and unethical conduct
- Ensure vendors achieve optimal outcomes and hold them accountable



WHAT IS COMPETITIVE PROCUREMENT?

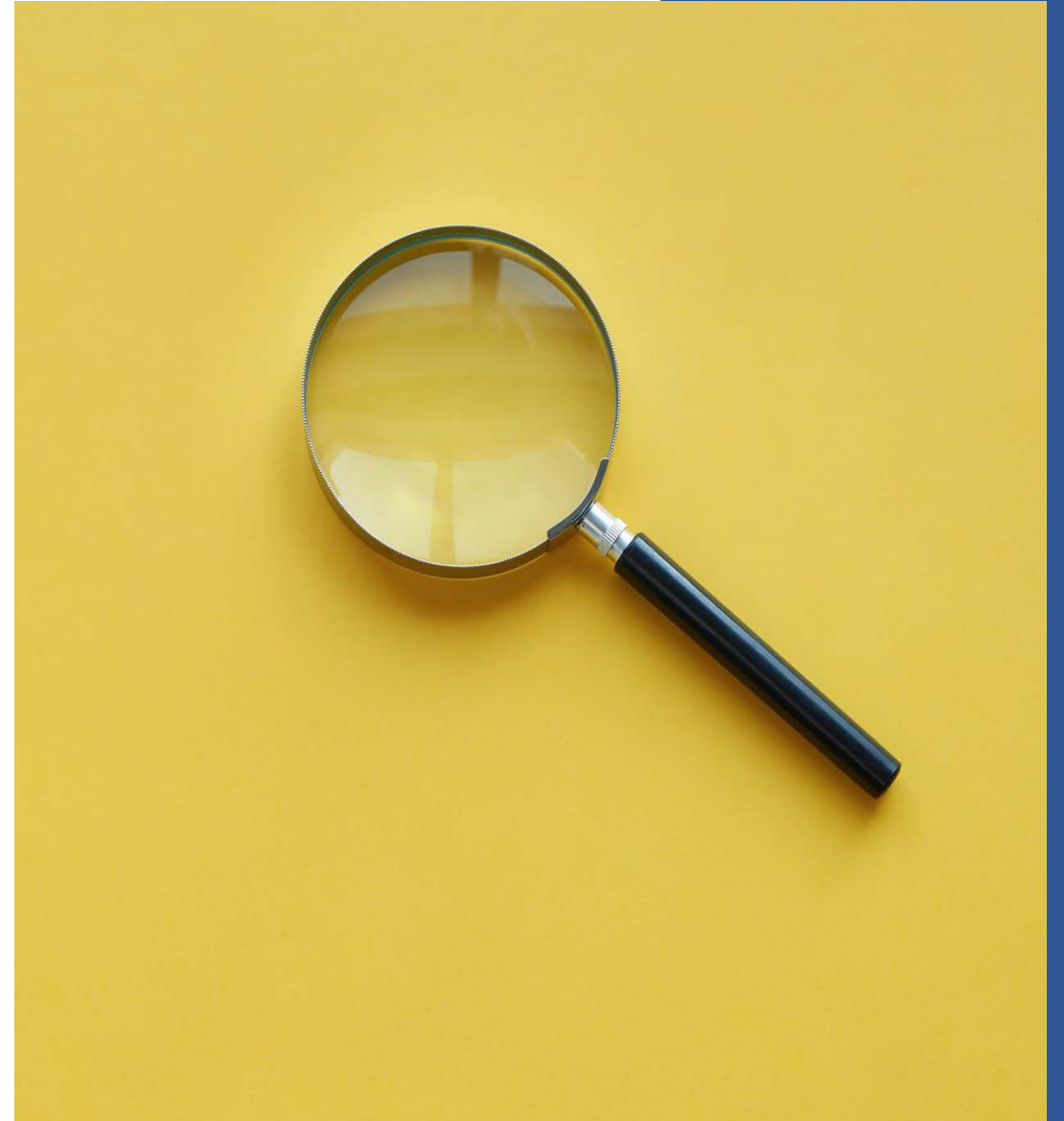
PROCESS BY WHICH THE STATE LOOKS FOR THE BEST VALUE OPTION TO OBTAIN SERVICES NEEDED

- Solicitation must be public, open, and fair
- Allows agency to choose best solution for services needed
- Request for Proposal process is used to select a vendor

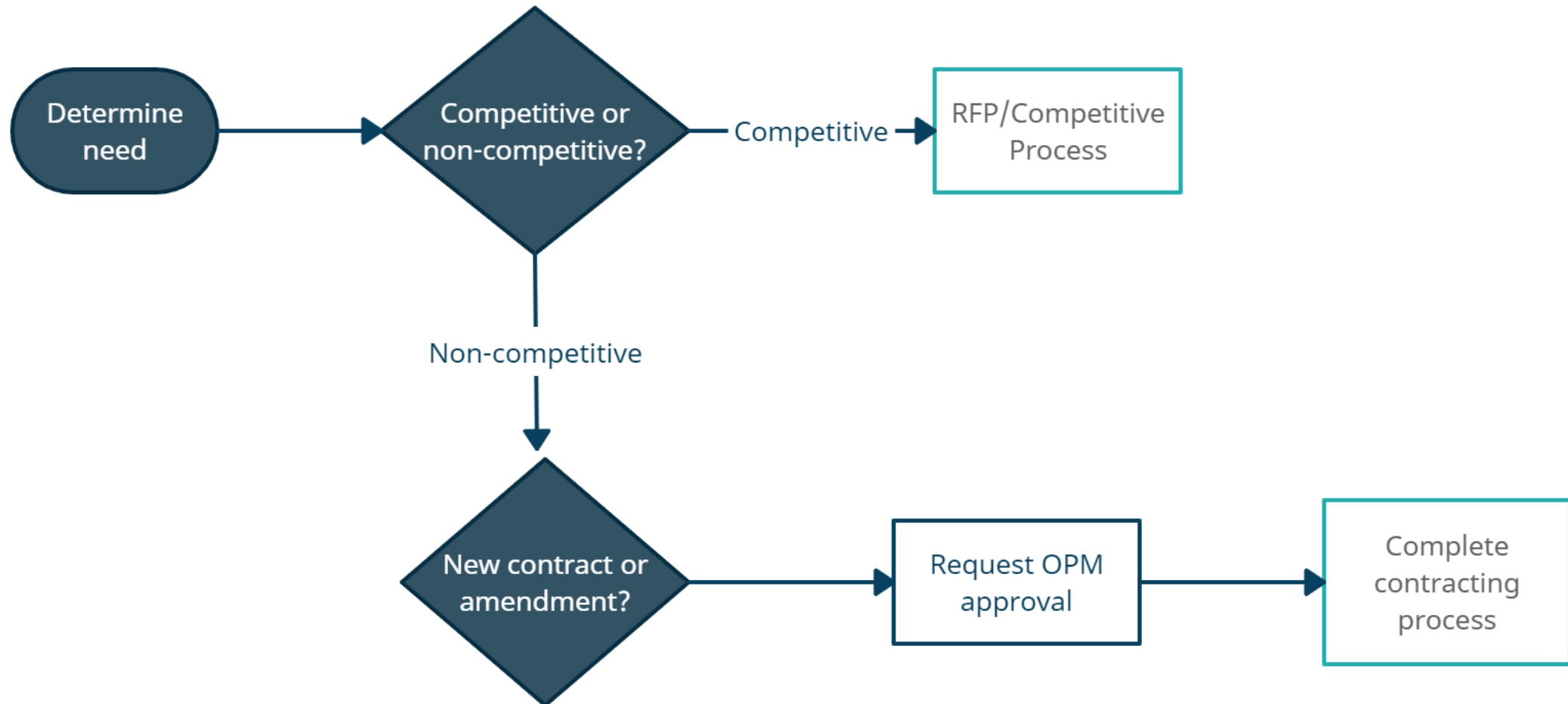
The competitive process helps us achieve our procurement goals, so agencies must seek *approval* to waive the competition requirement

NON-COMPETITIVE PROCUREMENT

- Limit use to situations where it is necessary
 - Emergency or urgent need
 - Limited vendor pool
 - Limitations imposed by law or funder
- Only one source is considered → *Sole-Source Procurement*



HOW TO DO A NON-COMPETITIVE PROCUREMENT





PROCUREMENT PLANNING

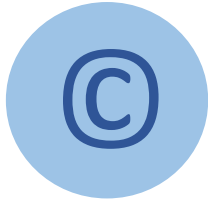
- Think in advance about procurement needs
- Allocate resources for competitive procurements
- Avoid missed opportunities due to scheduling
- Communicate with OPM/Finance approval team
- Communicate with the vendor community
- Get assistance from OPM/Finance as needed

COMPETITIVE OR NON-COMPETITIVE?



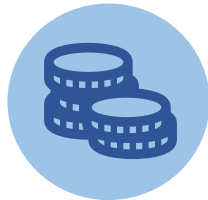
I've been working with a vendor for several years on a similar project - I trust them and know they do good work.

COMPETITIVE



I have a contract with a vendor that has a patented approach to the service we need. No other vendor is licensed in this approach.

NON-COMPETITIVE



The service I am contracting for isn't that expensive. It will cost \$45,000.

DEPENDS



I am applying for a grant and have to choose a strategic partner that I know specializes in the kind of work we are seeking funding for.

NON-COMPETITIVE



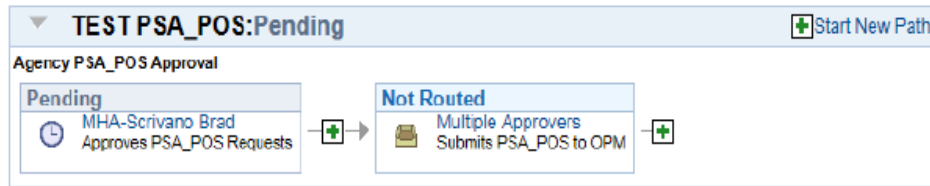
The contract for a set of services I need is going to expire in 2 months. That is not long enough to do a competitive process.

COMPETITIVE



HOW DO I GET OPM APPROVAL?

Agency PSA_POS Approval



OPM_PSA_POS Approvals



- Core-CT is used for all approval transactions
- Waiver required for the following requisition types
 - Waiver from Competition
 - Non-Competitive PSA or POS
 - Amendment to PSA or POS in some cases

COMPLETING A REQUISITION

Waiver from Competitive Solicitation

Supplier ID: 0000148721

Begin Date: [REDACTED] End Date: [REDACTED]

Maximum Amount: [REDACTED]

Total # of years contracting with this provider: [REDACTED]

Date of last RFP: [REDACTED]

Explain in detail the reasons for requesting a waiver from competitive solicitation. Acceptable reasons are listed below.

Check all that apply.

[Empty text box for explanation]

- Yes No The cost to the State of a competitive solicitation process would outweigh the benefits of such a process.
(Note: This category should generally only be used for contracts with a value of less than \$100,000)
- Yes No Supplier is mandated by federal law/grant (i.e., Medicaid), state statute, or public act.
- Yes No Services provided are to prevent disruption in treatment outcomes and continuity of care for vulnerable populations or emergency services.
- Yes No Evidence based, proprietary, special clinical/medicare services, or unique/specialized skills.
- Yes No Services and location by consent decrees, lawsuit disposition, litigation or stipulated agreement.
- Yes No Specific supplier location is funded by State bond funds or resources in real estate or physical plant to provide a level of service.
- Yes No Hospitals and Universities under agreement provide research and training programs for emergency treatment services.
- Yes No Zoning, citing & site licensing prohibit other suppliers due to funding or time.

Following Waiver Codes discontinued from January, 2020

- Yes No Services will be provided by a contractor mandated by the CT General Statutes, a public act, or a special act.
- Yes No Contractor will provide emergency services, including those needed for the protection of life or health.
- Yes No Contractor has special capability or unique experience.
(Note: By use of this category an agency is certifying that competitive procurement would likely result in fewer than 3 qualified proposals)
- Yes No Contractor has proprietary services or patent rights.
- Yes No Program Waiver - Service type received a "Program Waiver" in Procurement Plan or involves one or more program waiver factors listed in the Procurement Standards. Please describe above.



The cost to the state of a competitive solicitation process would outweigh the benefits of such a process.



- Not for contracts above \$100,000
- Competitive procurements use resources
- For low dollar value contracts, it might not save any money to do a competitive procurement



Supplier is mandated by federal law/grant (i.e. Medicaid), state statute, or public act.

- Use when a legally binding document dictates exactly which *vendor* to use
- Not to be used when the service is mandated without specifying supplier
- Examples
 - Statute established the Connecticut Mental Health Center at Yale University
 - Public Act requires Full Circle Youth Empowerment provide foster support
 - Federal award names a supplier as a sub-awardee or partner



Services are to prevent disruption in treatment outcomes and continuity of care for vulnerable populations or emergency services.

- Covers unforeseen circumstances that require the State to act quickly to get CT residents the services they need
 - Covid-19 response
 - An unexpectedly cold winter
 - Delay in delivering services or completing a scope of work
 - RFP process to renew services is ongoing



Evidence based, proprietary, special clinical/Medicare services, or unique/specialized skills

- A provider has a patented or otherwise proprietary approach to services
- Truly unique skills that only one supplier can provide
- Be specific when describing “specialized skills”
- Years of working on the same project or contract does not necessarily mean the supplier has unique skills



Services and location by consent decree, litigation, or stipulated agreement.

If the State is sued for wrongdoing, a court of law might determine that a State agency must provide a certain set of services, and might mandate a specific supplier help provide those services.



Specific supplier is funded by State bond funds or resources in real estate or physical plant to provide level of service.

- Vendor has the necessary bond funding to provide a service
- Vendor possesses the physical space needed to provide a service
- The state has made a financial investment in a specific provider or their physical space



Hospitals and universities under agreement provide research and training programs for emergency treatment services.

This is not for general use - it is a special category for some of DMHAS's contracts.



Zoning, citing, and site licensing prohibit other suppliers due to funding or time.

Towns and cities govern how an area is zoned, and some facilities are only allowed at sites that are zoned properly.

Example: DOC-funded respite house.

DISCONTINUED WAIVER CODES

-
- No longer in use as of January 2020
 - Remain in the system for data collection purposes
 - Please do not use



COMPLETING A REQUISITION

Waiver from Competitive Solicitation

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AMENDMENT REQUISITION

Amendment POS Help

Amendment to an existing Purchase of service contract

N/A Yes No Has a Cost-Effectiveness Evaluation (CEE) per §4e-16(p) or a Contract Standards Board Approval (CBA) per §4e-16(a) been completed?

Explain the reasons for not issuing a new Request for Proposal.

Yes No Is this request in accordance with your agency's current OPM-approved procurement schedule?

Original POS

Contract ID: [REDACTED]

Contract Type: PON Noncompetitive

Supplier ID: [REDACTED]

Begin Date: [REDACTED] End Date: [REDACTED]

Maximum Amount: [REDACTED]

OPM Approval No: [REDACTED]

Description of Service (Purpose, Scope, Activities, Outcomes)

[REDACTED]

Prior Amendments (Cumulative)

Yes No

First 1 of 1 Last

Prior Amendment Number	Cost	Start Date	End Date
[REDACTED]	0.000	[REDACTED]	[REDACTED]



COMPLETING THE JUSTIFICATION BOX

- Help us understand how the waiver code applies
- Familiarize us with the program and your needs
- Do not reference old competitive procurements that are no longer relevant
- Be clear and provide us with context - you know your program better than we do

WHO DO I CONTACT AT OPM/FINANCE FOR HELP?

①

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Development
Coordinator
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②

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QUESTIONS AND ANSWERS



NEXT TRAINING SESSION

RFP Writing
GPL and OPM Joint Session
Wednesday, June 17, 2021
1:00 PM

The background of the image is a photograph of the Wisconsin State Capitol building, a large, ornate, light-colored stone structure with a prominent central dome and several smaller spires. The building is partially obscured by a semi-transparent blue rectangular overlay. In the foreground, there are green trees and a clear blue sky. The text is centered on the blue overlay.

THANK YOU!

PLEASE FILL OUT OUR [SURVEY](#)

WAIVER CODE CHEAT SHEET

WAIVER CODE	USES
Cost to the State of a competitive solicitation process would outweigh the benefits of such a process.	Contract is under \$100,000 and other procurements are better suited for competition
Supplier is mandated by federal law/grant (e.g. Medicaid), state statute, or public act.	Legally binding document dictates a specific vendor/supplier to use for a given service.
Services are provided to prevent disruption in treatment outcomes and continuity of care for vulnerable populations or emergency services.	Unforeseen circumstances that require the state to act quickly OR more time needed for service or RFP
Evidence based, proprietary, special clinical/medical services, or unique/specialized skills.	Supplier has a license or otherwise special or unique ability to provide the service.
Services and location by consent decree, lawsuit disposition, litigation or stipulated agreement.	Court of law mandates the use of a specific supplier.
Specific supplier is funded by State bond funds or resources in real estate or physical plant to provide level of service.	One supplier has bond funding or physical plant needed for service provision.
Hospitals and universities under agreement provide research and training programs for emergency treatment services.	FOR DMHAS USE ONLY
Zoning, citing, and site licensing prohibit other suppliers due to funding or time.	Specific vendor has facility in location in line with zoning laws.