PENNSYLVANIA TREASURY DEPARTMENT
PROCUREMENT SOLE SOURCE JUSTIFICATION

Bureau: Bureau of Savings Programs

Contractor: Actuarial Resources Corporation

Agency Purchase Requisition No. 19-0426

A) Reason(s) for Sole Source Procurement:

☐ Only a single contractor is capable of providing the service.
   - Only known source; similar services/commodities are not available from another contractor.
   - Service must be compatible with existing equipment.

☐ A federal or state statute or federal regulation exempts the service from the competitive procedure and there is appropriate justification to do so.

☐ It is clearly not feasible to award the contract for services on a competitive basis.

☐ The services are to be provided by attorneys or litigation consultants selected by the Department.

☐ The services are to be provided by expert witnesses.

☐ The services involve the repair, modification or calibration of equipment, and they are to be performed by the manufacturer of the equipment or by the manufacturer’s authorized dealer, provided the contracting officer determines that bidding is not appropriate under the circumstances.

☐ The contract is for financial or investment experts to be used and selected by the Department.

☐ The contract is for supplies or services is in the best interest of the Commonwealth.

☐ Part I, Chapter I of the Pennsylvania Procurement Handbook issued by the Department of General Services under the authority of Commonwealth Procurement Code, 62 P.S. Section 101 et seq., exempts Treasury from the policies, procedures, and guidelines of the handbook for the licensing of specialized computer software.

B) Briefly describe the supply or service item you are requesting and its function.

Provide specialized, 529 plan-specific actuarial and consultation services for the Pennsylvania 529 College and Career Savings Program including but not limited to consultation regarding annual PA 529 Guaranteed Savings Plan (GSP) credit rates, preparation and presentation of the PA 529 GSP annual report, and consultation regarding actuarial sufficiency and setting of credit rates for the Keystone Scholars Program.
C) Describe the unique features/compatibility of the supply, service or construction item that precludes competitive procurement.

The contractor specializes in providing actuarial services to 529 programs. The unique actuarial requirements of 529 plans preclude utilizing the services of a generalist.

D) What research has been done to verify the contractor as the only known source?

After extensive internet research, no other actuarial firm that specializes in providing services to 529 plans with a comparable level of experience to the contractor could be found.

E) Does the contractor have any distributors, dealers, resellers, etc., that sell the supply, service, or construction item?

No.

F) Must this supply, service or construction item be compatible with present inventory/equipment or in compliance with a manufacturer’s warranty or existing service agreement? If yes, please explain.

No.

G) If this is an initial procurement, what are the future consequences of the procurement? That is, once this procurement is approved and processed, what additional upgrades/additions/supplies/services/construction, etc., are anticipated/projected over the useful life of this item?

N/A

H) If this is an upgrade, addition, alteration, etc., to an existing service? How was the original service procured (sole source or competitive)? What additional, related, sole source procurements have occurred since the initial procurement? Please identify the previous purchase order or contract number(s).

N/A
1) How has this service been procured in the past? (Competitive sealed bidding, competitive sealed proposals, sole source, other). Please provide document numbers.

Sole Source (TRE 120003) and RFP (TRE 180001).

J) What are the consequences of not procuring this specific supply or service item?

Inability to conduct statutorily required actuarial analysis of the PA 529 GSP.

K) How long has the agency known that the supply or service was needed, and why wasn’t the contract process started earlier?

Since the implementation of the current contract. This sole source request is based on the nature of the services provided, rather than timing.

L) If timing is a factor, who established the time frame and why?

The current contract is set to expire on June 30, 2020.

M) What are the consequences of not procuring this specific service within the established time frame?

Inability to conduct statutorily required actuarial analysis of the PA 529 GSP.

N) List any other information relevant to the acquisition of this service.

N/A