

# SOURCE JUSTIFICATION FORM

## Bureau of Procurement

The objective of this form is to capture all relevant documentation an Agency may have to assist the Department of General Services ("DGS"), Bureau of Procurement, in expediting the source justification review process. This form must be completed electronically, signed, and submitted with all relevant documentation to DGS. If a question is neither mandatory nor applicable, please indicate "N/A". Please use standard terminology and define acronyms.

## SECTION A

<b>1. Agency Name:</b>	Department of Community and Economic Development		
<b>2. Procurement Description:</b> This description will appear on the eMarketplace website for public viewing	Supplier to collect county, municipal and school district statistics, including, but not limited to, tax rate information, financial data, financial condition and officials information under various state statutes.		
<b>Materials Description:</b>			
<b>Services Description:</b>	Supplier to collect county, municipal and school district statistics, including, but not limited to, tax rate information, financial data, financial condition and officials information under various state statutes.		
<b>3. Materials Shopping Cart # or Services SPR#</b>	6500083250	<b>Estimated Cost:</b>	\$1,000,001 - \$5M
		<b>Initial Contract Term:</b>	five years
		<b>Renewals:</b>	none
<b>4. Supplier - Name:</b>	Pennsylvania State Association of Township Supervisors		
<b>Full Address:</b>	4855 Woodland Drive, Enola, PA 17025-1291		
<b>Contact Name:</b>	David M. Sanko		
<b>Telephone:</b>	717-763-0903	<b>FAX:</b>	717-763-9732
<b>E-mail:</b>	dsanko@psats.org		
<b>SRM Supplier #:</b>	139129		
<b>5. Delivery or service location:</b>	Harrisburg, PA		

## SECTION B

<input checked="" type="checkbox"/>	<b>1. Sole Source:</b> Only known source - Not available from another supplier.
<input type="checkbox"/>	<b>2. Material/Repair/Maintenance:</b> Material or service MUST be compatible with existing equipment. Documentation must be provided from the manufacturer.
<input type="checkbox"/>	<b>3. Used Equipment:</b> Value set by 2 independent 3rd party appraisals.
<input type="checkbox"/>	<b>4. Professional Expert:</b> Describe in detail in Section C.
<input type="checkbox"/>	<b>5. Exempt (Law):</b> A federal or state statute or regulation exempts the procurement from the competitive procedure. Any applicable information precluding the procurement from competitive procedures must be attached.
<input type="checkbox"/>	<b>6. Feasibility:</b> Clearly not feasible to award the contract on a competitive basis.

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## SECTION C

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**1. Describe the unique features of this procurement that prohibit a competitive environment. If applicable, attach a Statement of Work ("SOW").**

The Department's collection of municipal statistics is currently performed by 3 full-time consultants and 1 part-time consultant provided by the Supplier. Consultants are required to work on site in the Governor's Center for Local Government Services office, which provides the opportunity for them to respond directly to calls for direction and assistance from the call center line and also allows for collaboration and direct access to local government and IT personnel and resources housed within the Governor's Center for Local Government Services.

These consultants have combined experience of over 25 years in the performance of this work for the Governor's Center for Local Government Services. This is experience that cannot be replaced. These consultants have worked in the Municipal Statistics System (a complex data structure of interrelated modules designed to house specific local government data) since its inception in 2005 and have played a significant role in ongoing testing and improvements. The fact that the Supplier has played and continues to play an integral role in the performance of this work provides them with expertise that cannot be duplicated.

In addition, all data that is collected as part of the Municipal Statistics data collection process must be done with a thorough understanding of the legislative reporting requirements. The Department is required to issue reporting forms, receive reports, enter data into the database, maintain and produce completed statistics and certify local government data, including but not limited to, local government tax rates, tax effort, financial data, financial condition and officials under, but not limited, to the following state statutes:

Act 130 of 1955 as amended  
Act 317 of 1931 (amended by Act 22 of 2014)  
Act 399 of 1957 as amended  
Act 331 of 1931 as amended  
Act 69 of 1933 as amended  
Act 581 of 1996 (amended by Act 37 of 2014)  
Act 237 of 1949 as amended  
Act 511 of 1965 as amended  
Act 1, SS of 2006  
Act 7 of 2007  
Act 32 of 2008  
Municipal Authorities Act of 1945 as amended  
Act 110 of 2001  
Act 130 of 2000  
Act of 1949, P.L. 819, No. 215  
Act of 1949, P.L. 873, No. 237  
Act 47 of 1987  
Act 103 of 2002  
Act 77 of 1993

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Administrative Code 71 P.S. §339

Act 62 of 1972

Act 205 of 1984

Act 24 of 2001 (amended by Act 96 of 2002)

Act 442 of 1968 (amended by Act 153 of 1996)

Act 50 of 1998

The collection of this legislatively required data is complex and would make training new consultants overwhelming, impractical and disruptive to legislatively required deadlines.

Furthermore, the Tax Register, used by employers across Pennsylvania and nationally, is the official source to determine withholding rates for employees. Information in the Tax Register is reflected from source data captured in the Tax Information Form from municipalities and school districts. The Tax Register is legislatively required to be published twice annually. To replace the current knowledge base would be disruptive to the on-going data source collection needed for presentation in the Tax Register, detrimental to DCED's ability to fulfill its statutory obligations regarding Tax Register publication and would negatively impact the collection of earned income tax revenue estimated in excess of 3 billion.

In addition, timely completion of the Municipal Statistics forms and data collection processes are imperative for the annual distribution of state liquid fuels funds to municipalities, distribution of the local shared portion of the Allegheny County 1% sales tax, early detection of financial distress at the local level, and the legislatively required publication of the Tax Register. To replace the current knowledge base would impinge upon the Department's ability to fulfill its statutory obligations, disrupt critically important legislative deadline requirements and negatively impact statewide earned income tax revenue collections.

**2. Document and attach the research that has been conducted to date to verify the supplier is the only known source.**

In 1999, the Department issued a Request for Proposal (RFP) for this work indicating that the contract would be for a five year period with the option to renew for five addition years. The Supplier was the only one to submit a response. The contract ran for ten years and in 2010 the Department attempted to issue another RFP, but delegation was denied and the RFP was undertaken by the Department of General Services (DGS). Again, the Supplier was the only contractor that submitted a proposal in response to the RFP. Based on past experience, the Department concludes that no other suppliers exist.

**3. Does the supplier utilize distributors, dealers, resellers, etc.? If "Yes," please identify.**

N/A

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**4. Are there compatibility requirements or compliance requirements with a warranty or service agreement? If "Yes," please explain.**

N/A

**5. How has the material or service been procured in the past? Please provide previous source justifications, contracts, & PO's for this material or service.**

Yes. DGS undertook the procurement. See Contract Number 4400006729 and PO 4300414205, which expires on June 30, 2015.

**6. If procured through the IT ITQ process, please provide original \$ amount and contract period of order. Is this the final phase of the project?**

N/A

**7. If this is an upgrade, addition, alteration, etc., to an earlier procurement, please describe in detail.**

N/A

**8. What are the consequences of not approving this procurement?**

The Department would be unable to fulfill its statutory obligations, resulting in loss of funding to municipalities, an inability to detect early financial distress and a major loss of earned income tax revenue. Other areas of impact would be State Liquid Fuels Funds distributions, Regional Asset District distributions of the local shared 1% Sales Tax in Allegheny County, analysis and policy making by the Legislature and Administrators and timely assistance to Act 47 municipalities.

**9. If timing is a factor, what is the time factor and why?**

The purchase order under which these services are currently being performed will expire on June 30, 2015.

**10. List any other information relevant to the acquisition of this procurement here or as an attachment.**

See attached documents.

**11. For requests > \$100,000, has the supplier signed cost or pricing data certification and is the pricing breakdown attached?**

Yes. See attached.

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## SECTION D

**IMPORTANT\*: The printed names on this form shall constitute the signatures of these individuals.** Agencies must insure that these individuals review the completed form and give their consent to apply their printed name on this form. No handwritten signatures shall be required in order for the form to be considered "signed" by those individuals whose names appear in the signature section of the form.

**Shopping Cart Contact Person (Person whom DGS will contact regarding the Shopping Cart):**

<b>Name:</b>	<input type="text" value="Lorie Abbott"/>	<b>P-Group:</b>	<input type="text" value="FP7"/>	<b>Date:</b>	<input type="text" value="10-20-14"/>
<b>Title:</b>	<input type="text" value="Procurement Officer"/>	<b>Telephone:</b>	<input type="text"/>	<b>Fax:</b>	<input type="text"/>

**Agency Contact Person: Person in your agency that DGS can contact for additional information, etc.**

<b>Name:</b>	<input type="text" value="Jill B. Busch"/>	<b>Title:</b>	<input type="text" value="Deputy Chief Counsel"/>	<b>Date:</b>	<input type="text" value="10-20-14"/>
<b>Telephone:</b>	<input type="text"/>	<b>Fax:</b>	<input type="text"/>	<b>Email:</b>	<input type="text" value="jbusch@pa.gov"/>

**Approving Authority (Agency Head or Deputy reviewing and approving this request):** Approving Authority connotes approval of the source justification and the cost or pricing data certification.

<b>Name:</b>	<input type="text" value="Peter Zug"/>	<b>Title:</b>	<input type="text" value="Acting Deputy Secretary for Comr"/>	<b>Date:</b>	<input type="text" value="10-20-14"/>
<b>Telephone:</b>	<input type="text"/>	<b>Fax:</b>	<input type="text"/>	<input type="text"/>	<input type="text"/>

**Additional Approvals (if required by Agency):**

<b>Name:</b>	<input type="text"/>	<b>Title:</b>	<input type="text"/>	<b>Date:</b>	<input type="text"/>
<b>Telephone:</b>	<input type="text"/>	<b>Fax:</b>	<input type="text"/>	<b>Email:</b>	<input type="text"/>
<b>Name:</b>	<input type="text"/>	<b>Title:</b>	<input type="text"/>	<b>Date:</b>	<input type="text"/>
<b>Telephone:</b>	<input type="text"/>	<b>Fax:</b>	<input type="text"/>	<b>Email:</b>	<input type="text"/>
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<b>Telephone:</b>	<input type="text"/>	<b>Fax:</b>	<input type="text"/>	<b>Email:</b>	<input type="text"/>