

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

| | | | |
|---|--|-------------------------------|--------------------|
| 1. Agency Name: | Insurance Department | | |
| 2. Procurement Description: This description will appear on the eMarketplace website for public viewing | Lockbox Services | | |
| Materials Description: | | | |
| Services Description: | Lockbox Services | | |
| 3. Materials Shopping Cart # or Services SPR# | Attached | Estimated Cost: | \$250,001 - \$500K |
| | | Initial Contract Term: | 1 |
| | | Renewals: | 0 |
| 4. Supplier - Name: | PNC Bank | | |
| Full Address: | 620 Liberty Avenue, Pittsburgh, PA 15222 | | |
| Contact Name: | Judith A. Gainer | | |
| Telephone: | 412-768-1044 | FAX: | 412-762-6264 |
| E-mail: | judith.gainer@pnc.com | | |
| SRM Supplier #: | 114704 | | |
| 5. Delivery or service location: | Statewide | | |

SECTION B

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

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SECTION C

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

See attached statement of work.

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

N/A

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

N/A

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.

Sole Source in 2011. Purchase Order and Sole Source Justification Form attached.

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?

Almost \$60 million in billings may be delivered to PNC and payments would not be processed to the Commonwealth on a timely basis.

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

One year sole source will provide ample time for the Department to solicit lockbox services to begin 6/1/2016. The new lockbox banking solicitation will tie into the intricacies of the FMS-Fee Billing Services contract awarded to ICF Incorporated LLC, 4400013708 resulting from RFP 6100024372.

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

N/A

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):

| | | | | | |
|---------------|------------------------|-------------------|------|--------------|----------|
| Name: | Debra Spertzel | P-Group: | 7900 | Date: | 03-11-15 |
| Title: | Administrative Officer | Telephone: | | Fax: | |

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

| | | | | | |
|-------------------|------------|---------------|------------------------|---------------|---------------|
| Name: | Lori Trout | Title: | Administrative Officer | Date: | 03-11-15 |
| Telephone: | | Fax: | | Email: | ltrout@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.

| | | | | | |
|-------------------|----------------|---------------|--------|--------------|----------|
| Name: | Joseph DiMemmo | Title: | Deputy | Date: | 03-11-15 |
| Telephone: | | Fax: | | | |

Additional Approvals (if required by Agency):

| | | | | | |
|-------------------|--|---------------|--|---------------|--|
| Name: | | Title: | | Date: | |
| Telephone: | | Fax: | | Email: | |
| Name: | | Title: | | Date: | |
| Telephone: | | Fax: | | Email: | |
| Name: | | Title: | | Date: | |
| Telephone: | | Fax: | | Email: | |
| Name: | | Title: | | Date: | |
| Telephone: | | Fax: | | Email: | |
| Name: | | Title: | | Date: | |
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