

CONTRACTS 1.0

Request for Proposals -- 1.13

Sole Source Contracts -- 1.13.b

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POLICY

Sole source contracts can only be used in lieu of competitive negotiation when competitive negotiation would not be feasible or practical because (a) the service required is available from only one firm or person, (b) the contract is with another state agency or governmental unit, or (c) the agency can clearly demonstrate that sole source procurement is in the best, overall interest of the state due to (1) emergency - risk to life or property and (2) necessity - loss of funds, priority basis, unique characteristics of the contractor, continuity of program development, special project requires continuity in a particular contractor's service.

APPLICABILITY

This policy applies to Local Health Department, Regional and Central Office personnel.

PURPOSE

To maintain accountability.

PROCEDURE

Sole Source negotiation must be pre-approved by the Department of Finance

and Administration (F&A) prior to entering into a contract. The initiating unit shall prepare and submit the following to FSS: **Commissioner-to-Commissioner Letter** (Commissioner of Health to Commissioner of Finance and Administration) requesting approval and **TDH Contract Processing Worksheet** with all applicable supporting documents.

The FSS will develop a draft contract to send with the **Commissioner-to-Commissioner Letter** for approval. These documents will first be approved by the Department's Contract Office and then forwarded to F&A for final approval. Once approval has been received from F&A the contract will be processed in accordance with Bureau Policy 1.1.

NECESSARY FORMS

1. TDH Contract Processing Worksheet
2. F&A Contract Summary Sheet
3. F&A Contract Summary Sheet Supplemental Schedule (as applicable)

REFERENCE DOCUMENTS

1. Tennessee Department of Health, Contract Procedures
2. Rules of the Department of Finance and Administration, Chapter 0620-3-3-.04 (a) 3

OFFICE OF PRIMARY RESPONSIBILITY

Fiscal Services Section, Bureau of Health Services, (615)741-7305