Revised Sole or Single Source Certification – Form and Process
January 2009

Part I: Overview

This bulletin concerns recent revisions to the Sole or Single Source Certification form and process. The revisions recognize some of the challenges faced by the University community in understanding the requirements associated with the process and allow for a more coordinated approach to form completion. The revisions are explained in section 3 below and include:

- Description of the good or service
- Recommended supplier name
- Field for rationale (to avoid the need for a separate document)
- Flag where additional documentation is required in support of fair market value
- Approval signatures consistent with the University Signing Authority Registry
- Certification number to be assigned to each request for reference and tracking purposes
- Approved copy forwarded to Requester with copy of Purchase Order and approval date

Part II: The Form

1. What is the standard acquisition of goods and services process at York?

Goods and services purchased, leased or rented in support of University business must be compliant with both external and internal procurement regulations and policies. The fundamental obligation is to ensure that expenditures from University funds (i.e. operating, capital, research, ancillary, and special purpose) are conducted in a fair, transparent and competitive manner. This is achieved by securing a minimum of three (3) quotations for acquisitions between $10,000 and $50,000 or through a formal competitive bidding process for acquisitions in excess of the $50,000 threshold (these are established by the University’s Procurement of Goods and Service Policy and Procedure http://or www.yorku.ca or secretariat or policies or ).

2. What is Sole or Single Source Certification?

It is recognized that, in rare, specific or exceptional circumstances, competitive pricing cannot be obtained (i.e. through multiple quotations or competitive bidding) as there may only be one supplier in the market (sole source) that is capable of providing the good or service requested.

In some cases, there are a number of suppliers available in the market, but only one is able, or capable, of providing the good or service (single source).

For these types of rare situations, the Sole or Single Source Certification must be completed by the Requester.

3. What is the minimum information required to complete the form and why?

   a) Description of good or service – this is to highlight the nature of the acquisition.

Fair Market Value - A standard of value presumed to be established by a sufficient number of arms-length transactions conducted in an open and unrestricted market between a willing buyer and a willing seller who are knowledgeable, informed, and prudent, and who are acting independently of each other and not under compulsion to transact (ref: Canada Revenue Agency).
b) Recommended supplier name – this is to highlight the specific supplier requested to provide the good or service.

c) Field for rationale – this is the space where the Requester is to provide the details behind the reason for the sole or single source as it relates to the specific purchase.

d) Where additional documentation is required in support of fair market value – Examples of proof of fair market value are noted in each section where this is required.

e) Approval signatures – this is to ensure that the Requester is not the same person as the signing authority. This is important as a “one-over-one” principle applies in situations where a Requester is making a purchase outside of standard University policies and procedures.

f) Certification number – this should reduce the number of certifications that are currently being duplicated for the same purchase (i.e. referring to the previously approved certificate number for a second purchase of the same good or service rather than completing another certificate). Recurring software license agreements are a good example of when quoting the certificate number of the original request is more efficient.

g) Approved copy returned to the Requester with the Purchase Order – this will allow the Requester to keep a copy of the approved certification with the Purchase Order for his or her records.

Part III: The Process

This section speaks to the process to secure Sole or Single Source Certification approval and Purchase Order processing. For planning purposes Requestors can expect the process to be completed in 5 to 7 business days.

Steps:

1. Requester retrieves the Sole or Single Source Certification form (http: or www.yorku.ca or finance or documents or PC-FR-2003-0030_Sole_Single_Source_Certification.pdf)
2. Requester completes the form – all sections that apply
3. Requester prepares and attaches a Purchasing Requisition form to the Certification
4. Requester sends the complete package (Certification and Purchasing Requisition) to Procurement Services
5. Procurement Services reviews request and conducts internal due diligence for reasonability
6. Director, Procurement Services reviews and approves if all conditions below are met:
   a. Request is supported by appropriate rationale
   b. Evidence of Fair Market Value is provided
   c. Procurement Services’ due diligence validates the request
7. Procurement Services reviews the Purchasing Requisition for completion and accuracy
8. Procurement Services issues the Purchase Order and faxes to recommended supplier
9. Procurement Services sends copy of Purchase Order and approved Sole or Single Source Certification to Requester for record-keeping purposes.

In situations where the documentation provided is insufficient to warrant approval Procurement Services will contact the Requester within 3 to 5 business days to discuss alternatives.

Exception

In a situation where an emergency acquisition is required, the Requester will refer to the University’s Procurement of Goods and Services Policy or Procedure for further instructions.
Part IV: General Information

Procurement Services will work with the University community to identify Sole or Single Source Certifications that are multiple acquisitions and/or payments over a period of time. In these situations, a Certification will be required initially, but not for each subsequent acquisition and/or payment, rather, the Sole or Single Source Certification number can be quoted on each subsequent payment.

Procurement Services will test the market periodically to ensure that the acquisition is still a true sole or single source. Those that are not deemed to be sole or single sources (i.e. competition is now available in the marketplace) will require competitive bidding and Procurement Services will advise the Community of the steps to follow depending on the situation.

The Community is encouraged to contact Procurement Services with any questions related to the revised form or the process of acquiring a good or service that requires a Sole or Single Source Certification prior to the acquisition of a good or service.

As always, we appreciate the Community’s continued support. Should there be any questions or feedback related to the procurement process at the University, please contact Renata Faverin, Director at rfaverin@yorku.ca or at extension 30545.

Procurement Services General Enquiries can be directed as follows:

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For a complete list of Procurement Services staff, click here.