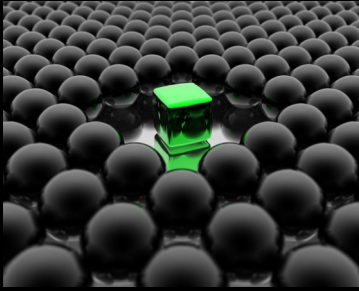


## REPORT CORRECTION



On page 16, third paragraph, first sentence of the FY17 Chief Procurement Office General Services Year in Review, it is not accurate that there were no hearings held .

On page 18, fourth paragraph, first sentence of the report is not accurate that zero hearings were requested.

Two public hearings were requested and held in Fiscal Year 2017.

In both hearings, members of the public or other entities testified and/or provided written comments. The hearing officer recommended that both sole sources be approved and the Chief Procurement Officer agreed.

## SOLE SOURCE PROCUREMENTS cont.

### A LOOK AT THE NUMBERS

The number of Sole Source contracts decreased by 78 or -32.2%, and the dollar value of Sole Source contracts decreased by \$94,694,460 or -32.6%. The three largest sole source awards were to firms that provide services in the Information Technology field: Toll Highway Authority awarded a \$30M contract to Accenture, the Department of Central Management Services awarded a \$30M contract to McKinsey & Co., and the Department of Innovation and Technology awarded a \$23M contract to IBM.

Total Value of Sole Source Contracts

**\$196,160,269**

The top 10% of sole source awards accounted for 78.8% of the total dollars awarded via sole source.

Total Number of Sole Source Contracts

**164**

To apply a higher level of scrutiny over proposed sole source procurements, the CPO requires **greater justification** for sole source contracts lasting longer than one year. This policy forces agencies to review their own needs and the marketplace frequently whenever sole source vendors are used. The premise is that the marketplace is dynamic, and ever-changing technologies and vendors present an opportunity for the State to conduct a competitive procurement.

Total Number of Agencies Awarding Sole Source Contracts

**29**

Of the 164 sole source awards, zero hearings were requested by interested parties.

	FY17	FY16
Number of Agencies Awarding Sole Source Contracts	29	31
Dollar Value of Sole Source Contracts	\$196,160,269	\$290,854,729
Number of Sole Source Contracts Approved	164	242
Average Dollar Value of Sole Source Contracts	\$1,188,850	\$1,201,879
Number of Sole Source Contracts Denied	0	0