

SOLE SOURCE PROCUREMENT CHECKLIST

Department: Treasury

Contractor: Chartwell Investment Partners, Inc.

Agency Purchase Requisition No. _____

A) Reason(s) for Sole Source Procurement:

- Only a single contractor is capable of providing the service.
 - Only known source; similar services/commodities are not available from another contractor.
 - Service must be compatible with existing equipment.
- A federal or state statute or federal regulation exempts the service from the competitive procedure and there is appropriate justification to do so.
- It is clearly not feasible to award the contract for services on a competitive basis.
- The services are to be provided by attorneys or litigation consultants selected by the Department.
- The services are to be provided by expert witnesses.
- The services involve the repair, modification or calibration of equipment, and they are to be performed by the manufacturer of the equipment or by the manufacturer's authorized dealer, provided the contracting officer determines that bidding is not appropriate under the circumstances.
- The contract is for financial or investment experts to be used and selected by the Department.
- The contract for services is in the best interest of the Commonwealth.

B) Briefly describe the supply or service item you are requesting and it's function

Chartwell Investment Partners, Inc. has been an investment manager for the Pennsylvania Treasury Department since at least 2000. The Department issuing a new agreement with Chartwell for Pool 198 as Treasury's investment contract standard language has changed from 2000. Chartwell will also be receiving an additional high yield mandate for Pool 198 and a high yield mandate for the TAP Pool. Chartwell's fees have been fixed at 20 basis points for both portfolios rather, than the previous sliding scale based on assets under management. Chartwell is a financial and investment expert.

The retention of financial and investment experts are exempt from competitive bidding under 62 Pa.C.S.A. § 515(a)(9).

C) Describe the unique features/compatibility of the supply, service or construction item that precludes competitive procurement.

n/a (

D) What research has been done to verify the contractor as the only known source?

n/a

E) Does the contractor have any distributors, dealers, resellers, etc., that sell the supply, service, or construction item?

No.

F) Must this supply, service or construction item be compatible with present inventory/equipment or in compliance with a manufacturer's warranty or existing service agreement? If yes, please explain.

No.

G) If this is an initial procurement, what are the future consequences of the procurement? That is, once this procurement is approved and processed, what additional upgrades/additions/supplies/services/construction, etc., are anticipated/projected over the useful life of this item?

n/a

G) If this is an upgrade/addition/alteration, etc., to an existing service? How was the original service procured (sole source or competitive)? What additional, related, sole source procurements have occurred since the initial procurement? Please identify the previous purchase order or contract number(s).

n/a

H) How has this service been procured in the past? (Competitive sealed bidding, competitive sealed proposals, sole source, other). Please provide document numbers.

n/a

J) What are the consequences of not procuring this specific supply or service item?

Treasury's asset allocation is structured to include various sectors/time horizons to maintain compliance with stated objectives and Policy. Chartwell's products fit within the targeted parameters. Other manager offerings may require changes to the allocations or shifting the existing allocations.

K) How long has the agency known that the supply or service was needed, and why wasn't the contract process started earlier?

n/a

L) If timing is a factor, who established the time frame and why?

n/a

M) What are the consequences of not procuring this specific service within the established time frame?

n/a

N) List any other information relevant to the acquisition of this service.

n/a

Name of person completing the justification (Requesting Bureau/Office)

Thomas Clancy, CFA

Chief Information Officer
Title

Date: 7/9/18 Phone No. 717-787-2465

Signature of Approving Authority:

Comptroller/Designee

Agency Head or Designee

All sole source procurements are to be submitted to the Bureau of Support Services, and approved by the Comptroller and Deputy State Treasurer for Law and Administration.

If an item is not applicable, indicate that it is not applicable.