

**PENNSYLVANIA TREASURY DEPARTMENT
PROCUREMENT SOLE SOURCE JUSTIFICATION**

Bureau: Tuition Assistance Program **Contract Begin Date:** 01/01/2025 **End Date:** 12/31/2025

Contractor: Morningstar, Inc

Agency Purchase Requisition No: 0000001007

A) Reason 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 is for supplies or services is in the best interest of the Commonwealth.
- Part I, Chapter I of the Pennsylvania Procurement Handbook issued by the Department of General Services under the authority of Commonwealth Procurement Code, 62 P.S. Section 101 et seq., exempts Treasury from the policies, procedures, and guidelines of the handbook for the licensing of specialized computer software.

B) Briefly describe the supply or service item you are requesting and its function.

Licensing agreement to use Morningstar rating and marks in PA 529 marketing material and website.

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

As the ratings and marks are sole property of Morningstar, it is the only entity able to grant permission for their use.

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

N/a

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

NO

F) Must this supply or service 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, etc., are anticipated/projected over the useful life of this item?

This is not an initial procurement

H) 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).

No

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

Sole Source

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

We will be unable to use the PA 529 IP's ratings (IP was awarded the Gold rating) in our marketing materials and website.

K) How long has the agency known that the supply or service was needed, and

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why wasn't the contract process started earlier?

Our current license expires Dec 31 and the 2024 Morningstar rating was just released this month. We are renewing before the license expires for a smooth transition into 2025.

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

License expires Dec 31

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

We will not be able to use the rating in our marketing materials as mentioned above.

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

N/a