

Office of the Illinois State Treasurer
Michael Frerichs

Sole Source Procurement Notice

Moody's Analytics, Inc.

March 2, 2016

I. Introduction:

The Office of the Illinois State Treasurer is issuing this Sole Source Procurement Notice pursuant to Section 1400.2025 of the Treasurer's Procurement Rules, 44 ILAC 1400.2025(e).

II. Chief Procurement Officer

The Chief Procurement Officer who will perform this Sole Source Procurement is:

Mr. Jim Underwood
Chief Procurement Officer
Illinois State Treasurer's Office
400 West Monroe, Suite 401
Springfield, IL 72704
217-782-1708
E-mail Address: junderwood@illinoistreasurer.gov

III. Name of proposed Sole Source vendor

Moody's Analytics, Inc.
7 World Trade Center
New York
New York, 10007

IV. Brief description of what vendor will do or provide

The proposed Vendor will provide security information for Municipal, Corporate and Structured Finance Ratings for investment requirements for the State Portfolio.

V. Contract price

\$60,450.00

VI. Reason why vendor was determined to be the Sole Economically Feasible Source

The Treasurer's Legal staff consulted with the Comptroller's General Counsel and the Executive Ethics Commission concerning whether the Moody's contract would qualify as a sole source purchase. While the Office of the State Treasurer initially believed there could be up to three potential bidders for this contract, *de facto* there was only one provider who was willing to provide the service. Therefore, this makes a sole source contract permissible pursuant to the Treasurer's procurement rules:

Sole source procurement is permissible when a good or service is available from only a single supplier or when only one supplier is deemed economically feasible. A requirement for a particular proprietary item does not justify a sole source procurement if there is more than one potential bidder or offeror authorized to provide that item. (44 ILAC 1400.2025(b) (part))

<http://www.ilga.gov/commission/jcar/admincode/044/044014000D20250R.html>

Despite the Treasurer's best efforts to solicit bids from other vendors, only Moody's was willing to provide the service being contracted. Further, the contract amount (\$60k) should also be considered; the current CPO-GS small purchase limit of \$80,000 (as of December 2015) is more than the amount of this contract. The Treasurer's office has tried to utilize the "principles of competitive bidding and economical procurement practices" in the procurement of this contract. (30 ILCS 500/1-5) But, as there is only one supplier willing to provide the service, Moody's has been determined to be the Sole Economically Feasible Source.