

DETERMINATION AND FINDINGS FOR A SOLE SOURCE

Agency: District of Columbia Public Schools, Office of Contracts and Acquisitions
Contract No: GAGA-2018-C-00XX
Contractor: American Express TRS Company (**Amex**)
Caption: Amex Buy Down Program

FINDINGS

1. Authorization:

D.C Code 2-354.04., 27 DCMR Sections 1304 and 1702

2. Minimum Need:

The District of Columbia Public Schools (DCPS), Office of Contracts and Acquisitions (OCA) has a critical need to continue with the Buy Down Program through contracting with AMEX. This program allows DCPS schools and programs to purchase educational, office, custodial and small equipment requirements utilizing internet-based ordering from authorized vendors.

3. Estimated Fair and Reasonable Cost:

The estimated reasonable cost is \$15,000,000.00

4. Facts which Justify A Sole Source:

Background and History

The AMEX program was the result of a strategic sourcing initiative as a means to handle the high-volume low-value purchases for DCPS. In 2005 a Memorandum of Understanding (MOU) was issued between DCPS and AMEX to implement a pilot program, for a 2 month period, to evaluate the effectiveness and efficiency of using a corporate purchasing buy down account program for online ordering. The pilot program included 17 schools and one pre-approved vendor. DCPS was satisfied with the outcome of the pilot program and obtained the Board of Education and City Council approval to fully implement the American Express Buy Down Account Program.

Over the 3 Contract iterations (a 13-year contract period) all DCPS schools and programs with budgets for supplies and small equipment have become active users of the Amex Buy Down program. The program has transitioned from using 1 open market vendor to 12 Certified Business Enterprises with an annual spend growth from \$500K to over \$12M. This program has been very successful at reducing administrative costs in processing requisition, ensuring the DCPS meets all of CBE spending compliance and controlling costs to purchase office/school/custodial supplies and small equipment. Currently it is estimated that over 9,000 transactions per year are processed through the AMEX Program. Without the Program, these transactions would have to have been processed as requisitions by DCPS Contract Specialists.

In the American Express Buy Down Program, the following 12 vendors with pre-approved prices and products participate:

No.	Vendor Name	Certified Business Enterprise (CBE)	Service/Supply Description
1	General Merchandise Supplies	Y	Custodial Supplies
2	Bluebay, Inc.	Y	Custodial Supplies
3	Stockbridge Consulting	Y	Educational & Office Supplies, Small IT Equipment
4	Public Performance Management	Y	Educational Supplies
5	American Business Supplies	Y	Educational Supplies
6	General Merchandise and Supply	Y	Educational Supplies
7	Premier Suppliers	Y	Office & Medical Supplies
8	Capital Services & Supplies	Y	Office Supplies
9	Laser Art	Y	Office Supplies
10	Metropolitan Office Products	Y	Office Supplies
11	MDM dba Standard Office Supply	Y	Office Supplies
12	The Aquiline Group	Y	Printing and Novelties
13	MVS, Inc.	Y	Small IT Equipment

Additionally, the program provides expedited delivery of supplies directly to the ordering user. Each of the participating vendors has competitive pricing via corporative agreements, DCSS and GSA as a result of competition from local and state solicitations. All users of the Program are trained by OCA. The users must fund their account in advance with a fully approved PO and American Express limits purchases to that amount. The program requires monthly reconciliations that are closely monitored by OCA and the OCFO.

5. Vendor’s Unique Qualifications

American Express TRS Company is a subsidiary of the American Express Company. The American Express Company is a global travel, financial, and network services provider. The company is a fortune 500 company with revenue that exceeds \$33.47 billion per year. The contractor has been providing Buy Down Account services to DCPS for approximately thirteen years. The company has been rated as satisfactory.

6. Adverse Impact of Not Choosing This Vendor or Completing This Project

DCPS has a critical need for uninterrupted services. The continuation of a contract with AMEX will avert supply disruptions to our schools and preserve the following key benefits of the program:

- Maintain turnaround times to 3 days or less
- Reduce requisition processing by OCA
- Keep buying control in the hands of schools and programs
- Pay vendors when goods are delivered
- Maintain CBE spending throughout the District

All of the key stakeholders inclusive of American Express, the 12 participating vendors, the 115 schools and central administration staff have been trained and retrained on this virtual online ordering platform which enhances the ability of DCPS to procure supplies and materials efficiently and timely to meet the needs of the students and school administrators. It is a necessary governmental function and in the best interest of DCPS to continue this business procurement model pursuant to the effectiveness of the program, 13-year investment in the operation of the program and the high demand and need of the DCPS key stakeholders.

7. Certification by Contract Specialist:

I hereby certify that the above findings are correct and the anticipated cost to DCPS is fair and reasonable.

Date

Dana Garnett
Contracting Specialist

CERTIFICATION AND DETERMINATION

Based on the above certified findings in accordance cited authority, I hereby determine that it is not feasible or practical to invoke the competitive bidding process under Section 402 or 403 of the District of Columbia Procurement Practices Reform Act of 2010 (D.C. Law 18-371; DC Code 2-354 and 27 DCMR 1304 and 1702.

Date

Candace Butler
Chief Procurement Officer