

Direct Contracting

Justification Form

Direct Contracting Justification Form

**DIRECT CONTRACTING JUSTIFICATION (DCJ)**

**(*Applicable to Procurement Activities that Require MCC approval when obtaining goods, works or non-consulting services without competition*)**

General Information

|  |  |
| --- | --- |
| Compact Country |  |
| Project Name |  |
| Procurement Title/Description of Goods/Works/Non-Consulting Services |  |
| Procurement Ref. # |  |
| Name of Recommended Supplier, Service Provider or Contractor  |  |
| Estimated Contract Value  |  |
| Estimated Duration of Contract  |  |

Justification for Direct Contracting(per MCC Procurement Guidelines Art. P1.A.3.5)

|  |  |
| --- | --- |
| 1. Is this an existing task that represent a natural continuation of previous work of similar nature carried out by the supplier, service provider or contractor, and that no advantage could be obtained by further competition?
 | [ ]  YES [ ]  NO |
| 1. Is this request linked to the standardization of equipment or spare parts, compatible with existing equipment?
 | [ ]  YES [ ]  NO |
| 1. Is the required equipment proprietary and obtainable only from one source?
 | [ ]  YES [ ]  NO |
| 1. Does the contractor responsible for a process design require the purchase of critical items from a particular supplier as a condition of a performance guarantee?
 | [ ]  YES [ ]  NO |
| 1. Is this an emergency case, such as in response to a natural disaster?
 | [ ]  YES [ ]  NO |

### Rationale

#### Background

Include the following:

* Summary of the project
* Succinct explanation of the services requested including 1) name of selected supplier, contractor or service provider 2) brief description of goods, works or non-consulting services to be contracted 3) expected duration of contract if applicable.
* The following sentence: [This request is made in accordance with MCC Procurement Guidelines Art. P1.A.3.5 which states:

*“Direct contracting is contracting without competition and may be an appropriate method under circumstances such as:*

*P1.A.3.5 (a) An existing contract for goods, works, or non-consulting services, awarded in accordance with procedures acceptable to MCC, may be extended, within reasonable limits, for additional goods, works, or non-consulting services of a similar nature. MCC shall be satisfied in such cases that no advantage could be obtained by further competition and that the prices on the extended contract are reasonable. Provisions for such an extension, if considered likely in advance, shall have been included in the original contract.*

*P1.A.3.5 (b) Standardization of equipment or spare parts, to be compatible with existing equipment, may justify additional purchases from the original supplier. For such purchases to be justified, the original equipment shall be suitable, the number of new items shall generally be less than the existing number, the price shall be reasonable, and the advantages of another make or source of equipment shall have been considered and rejected on grounds acceptable to MCC.*

*P1.A.3.5 (c) The required equipment is proprietary and obtainable only from one source.*

*P1.A.3.5 (d) The contractor responsible for a process design requires the purchase of critical items from a particular supplier as a condition of a performance guarantee.*

*P1.A.3.5 (e) In exceptional cases, such as in response to natural disasters.*

*P1.A.3.5.1 Lack of time to conduct a competitive procurement is not an acceptable justification for Direct Contracting.”*

#### Summary of required goods, works or non-consulting services

Include the following:

* Reasons why these works, goods, or non-consulting services contract cannot be competitively procured
* Market assessment and analysis of alternatives (attach supporting documentation in the annexes if applicable)
* Price reasonableness analysis (attach supporting documentation in the annexes if applicable)
* Reasons why it is best interest of the Compact to use Direct contracting to procure the goods, works and non-consulting services

#### Recommendation

Based on the above arguments, MCA-[*insert compact country*] is requesting MCC approval to contract directly with [*insert name of supplier, service provider or contractor*].

|  |  |  |
| --- | --- | --- |
| Approval of Request | Signature | Name/Title |
| [ ]  YES[ ]  NO |  | **MCA Procurement Director**  |
| [ ]  YES[ ]  NO |  | **MCA CEO**  |

#### MCA Comments (if applicable)

|  |  |  |
| --- | --- | --- |
| Concur with Request | Signature | Name/Title |
| [ ]  YES[ ]  NO |  | **MCA Procurement Agent**  |

*Include Procurement Agent opinion or comments (if applicable).*

#### Approval/Rejection

|  |  |  |
| --- | --- | --- |
| Approval  | Signature | Name/Title |
| [ ]  YES[ ]  NO |  | **MCC Procurement Director** |
| [ ]  YES[ ]  NO |  | **MCC Procurement PLSD** |
| ***If the MCC Procurement PLSD rejects the request for Direct Contracting; the RCM may seek review of that decision through an Appeal to the following:*** |
| [ ]  YES[ ]  NO |  | **MD, Sector Operations**  |
| [ ]  YES[ ]  NO |  | **DVP, Sector Operations** |

**Annexes**

Attach supporting documentation if applicable.



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**DIRECT CONTRACTING JUSTIFICATION (DCJ)**

**(*Applicable to Procurement Activities that do not require MCC approval when obtaining goods, works or non-consulting services without competition)***

General Information

|  |  |
| --- | --- |
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| Project Name |  |
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| Procurement Ref. # |  |
| Name of Recommended Supplier, Service Provider or Contractor  |  |
| Estimated Contract Value  |  |
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Justification for Direct Contracting(per MCC Procurement Guidelines Art. P1.A.3.5 )

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 | [ ]  YES [ ]  NO |
| 1. Is the required equipment proprietary and obtainable only from one source?
 | [ ]  YES [ ]  NO |
| 1. Does the contractor responsible for a process design require the purchase of critical items from a particular supplier as a condition of a performance guarantee?
 | [ ]  YES [ ]  NO |
| 1. Is this an emergency case, such as in response to a natural disaster?
 | [ ]  YES [x]  NO |

Rationale

*Background*

Include the following:

* Summary of the project
* Succinct explanation of the services requested including 1) name of selected supplier, contractor or service provider 2) brief description of goods, works or non-consulting services to be contracted 3) expected duration of contract if applicable.
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*Summary of required goods, works or non-consulting services*

Include the following:

* Reasons why these works, goods, or non-consulting services contract cannot be competitively procured
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* Price reasonableness analysis (attach supporting documentation in the annexes if applicable)
* Reasons why it is best interest of the Compact to use Direct contracting to procure the goods, works and non-consulting services

*Recommendation*

Based on the above arguments, MCA-[*insert compact country*] is requesting MCC approval to contract directly with [*insert name of supplier, service provider or contractor*].

*Comments (if applicable)*

Include Procurement Agent opinion or comments (if applicable).

*Approval/Rejection*

|  |  |  |
| --- | --- | --- |
| Approval | Signature | Name/Title |
| [ ]  YES[ ]  NO |  | **MCA Procurement Director** |
| [ ]  YES[ ]  NO |  | **MCA CEO**  |

|  |  |  |
| --- | --- | --- |
| Concur with Approval | Signature | Name/Title |
| [ ]  YES[ ]  NO |  | **MCA Procurement Agent** |

**Annexes**

Attach supporting documentation if applicable.