**PROOF OF NEED ANALYSIS CHECKLIST**

**For Requesting Agency Use**

**Agency:**

**Requisition/RFP/Contract #:**

In order to process Requesting Agency’s Proof-of-Need Analysis as easily and efficiently as possible, the following is a checklist of items which need to be included in Requesting Agency’s Proof-of-Need Analysis for contracts which exceed $15,000,000.00, including initial contract period and all renewal periods:

\_\_\_\_\_\_ 1. Name, Title, Agency, Address, Location, Phone and Email information;

\_\_\_\_\_\_ 2. A description of the service that is the subject of the proposed contract;

\_\_\_\_\_\_ 3. The reason for purchase of the service rather than the use of state employees, including, but not limited to, whether there is an administrative restriction on hiring additional state employees;

\_\_\_\_\_\_ 4. A review of any long-term actual cost savings of the contract and an explanation of the analysis used to determine such savings;

\_\_\_\_\_\_ 5. An explanation of the process by which the state agency will include adequate control mechanisms to ensure that the services are provided pursuant to the terms of the contract, including a description of the method by which the control mechanisms will ensure the quality of services provided by the contract;

\_\_\_\_\_\_ 6. Identification of the specific state agency employee who will monitor the contract for services for performance;

\_\_\_\_\_\_ 7. Identification and description of whether the service requested is temporary or occasional. Temporary is defined as “a finite period of time with respect to a specific task or result relating to a contract for services.” Occasional is defined as being “seasonal, irregular or fluctuating in nature;”

\_\_\_\_\_\_ 8. An assessment of the feasibility of alternatives within the state agency to contract for performance of the services;

\_\_\_\_\_\_ 9. A justification for entering into the contract for services if the proposed contract will not result in cost savings to the state; and the public’s interest in having the particular service performed directly by the state agency exceeds the public’s interest in the proposed contract;

\_\_\_\_\_\_ 10. Any federal requirements that the service be provided by a person other than the state agency;

\_\_\_\_\_\_ 11. Demonstration by the state agency that it has taken formal and positive steps to consider alternatives to such contract, including reorganization, reevaluation of services, and reevaluation of performance;

\_\_\_\_\_\_ 12. A description of any relevant legal issues, including barriers to contracting for the service or requirements that the state agency contract for the service;

\_\_\_\_\_\_ 13. Copy of proposed contract, if bid process was conducted by the Requesting Agency;

\_\_\_\_\_\_ 14. If elements are missing or not answered, has letter of notification been sent to Requesting Director and Point of Contact as well as General Counsel and State Procurement Manager;

\_\_\_\_\_\_ 15. Once Proof Need Analysis has been Certified by Materiel Division, submit copy of proposed contract, Proof of Need Analysis and Proof of Certification of Receipt by the Materiel Division with the Legislative Fiscal Analyst.