



DEPARTMENT OF TRANSFORMATION AND SHARED SERVICES
OFFICE OF STATE PROCUREMENT
Sole Source Justification Form

Complete all sections of this *Sole Source Procurement Justification Form* and follow the steps specified in the *Sole Source Procurement Procedures*. Email the completed form to the Office of State Procurement review mailbox at osp.review@arkansas.gov to ensure timely review.

Procurement Unit Requesting the Sole Source Procurement

Requesting Department: 0613 - DFA - Management Services Division - Office of Arkansas Lottery

Requesting Division: Advertising & Marketing

Purchasing Contact: Brandi Ratcliff Phone Number: 501-683-2087

Email: Brandi.Ratcliff@arkansas.gov

General Information

Description of Service/Commodity: Marketing and Sponsorship Agreement

Vendor Name: IMG College LLC

Start Date of Resulting Contract: 7/1/2023 Expiration Date of Resulting Contract: 6/30/2024

Contract Number (if available): Click here to enter text. Total Projected Cost: \$83,000.00

Why is the commodity/service needed?

The mission of the Office of the Arkansas Lottery is to responsibly maximize net proceeds. To date, we have raised more than \$1.26 billion in net proceeds for scholarships to Arkansas students. We take pride in that mission and it is important to get that message out to the state in the best way we can. Through sponsorships, we partner with Arkansas colleges to get that message out to their student bodies and surrounding communities. We work with the colleges to market our brand on campuses through event activities and advertising at sporting events, on their websites, and through their media (social, digital, traditional, etc.).

The University of Arkansas at Fayetteville is the largest college in the state. To date, \$226.3 million in net proceeds has been awarded to students at the University of Arkansas, which equates to about 124,000 scholarships. The University of Arkansas receives more proceeds and scholarships than any other school in Arkansas and Northwest Arkansas is one of the fastest growing and most populated parts of the state; therefore, it is necessary that our brand continues to have a presence on their campus and in their community (Northwest Arkansas).

How did the agency determine a lack of responsible competition exists for the commodity/service?

IMG College LLC is the exclusive multimedia rightsholder and manages all aspects of the rights relationship, providing business partners both traditional and new media opportunities with the university.

How did the agency determine the commodity/service can only be provided by one source?

IMG College LLC is the sole representative of the University of Arkansas.

Can requirements be modified so the commodity/service may be competitively bid? If not, why?

No. IMG College LLC is the sole representative of the University of Arkansas.

Are there patent, copyright, or proprietary rights that make the required commodity/service unavailable from other sources?

Yes. The University of Arkansas brand logo and Razorbacks logo.

What would the requestor do if the commodity/service were no longer available?

We would not have a sponsorship opportunity at the University of Arkansas.

What program consideration details make the use of a Sole Source Procurement critical to the requestor?

The University of Arkansas at Fayetteville is the sole entity of its nature. Due to the uniqueness of working with the University of Arkansas as a Division I SEC school, the sponsorship amount is more than with other Arkansas colleges. But, as referenced above, more scholarships and proceeds go to the University of Arkansas at Fayetteville than any other college in the state, so we need to maintain a presence there.

Provide additional details as needed.

[Click here to enter text.](#)



Department of Transformation and Shared Services

Governor Sarah Huckabee Sanders

Secretary Joseph Wood

March 7, 2023

Ms. Brandi Ratcliff
Treasurer
Office of Arkansas Lottery
124 West Capitol Avenue, Suite 1400
Little Rock, Arkansas 72201

Re: Request for Sole Source Procurement

Dear Ms. Ratcliff:

Thank you for your correspondence dated March 1, 2023, to obtain authorization for a sole source procurement on behalf of the Department of Finance and Administration – Management Services Division – Office of Arkansas Lottery (OAL) to enter into an agreement with IMG College, LLC (IMG) for an advertising and marketing sponsorship at the University of Arkansas at Fayetteville from July 1, 2023, to June 30, 2024, in the total projected amount of \$83,000.00.

The legal standard for granting sole source procurement authority is codified at Arkansas Code Annotated § 19-11-232, which provides, in pertinent part, as follows:

- (a) Under rules promulgated under this subchapter, a contract may be awarded for a required or designated commodity or service to a sole or mandatory supplier when the State Procurement Director, the head of a procurement agency, or a designee of either officer above the level of agency procurement official determines in writing that it is not practicable to use other than the required or designated commodity or service.
- (b) Unless a written determination is made that there is only one (1) source for the required or designated commodity or service, efforts shall be made to obtain price competition.

As justification for its request, OAL states:

The mission of the Office of the Arkansas Lottery is to responsibly maximize net proceeds. To date, we have raised more than \$1.26 billion in net proceeds for scholarships to Arkansas students. We take pride in that mission and it is important to get that message out to the state in the best way we can. Through sponsorships, we partner with Arkansas colleges to get that message out to their student bodies and surrounding communities. We work with the colleges to market our brand on campuses through event activities and advertising at sporting events, on their websites, and through their media (social, digital, traditional, etc.).

Office of State Procurement
501 Woodlane Street, Suite 220 * Little Rock, AR 72201 * 501.324.9316

The University of Arkansas at Fayetteville is the largest college in the state. To date, \$226.3 million in net proceeds has been awarded to students at the University of Arkansas, which equates to about 124,000 scholarships. The University of Arkansas receives more proceeds and scholarships than any other school in Arkansas and Northwest Arkansas is one of the fastest growing and most populated parts of the state; therefore, it is necessary that our brand continues to have a presence on their campus and in their community (Northwest Arkansas).

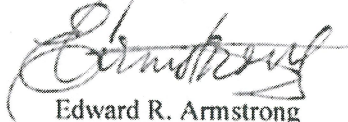
OAL also presents the following information in support of its statement that IMG is the sole representative of the University of Arkansas for this purpose:

IMG College LLC is the exclusive multimedia rightsholder and manages all aspects of the rights relationship, providing business partners both traditional and new media opportunities with the university.

Finally, OAL asserts that the University of Arkansas brand logo and Razorback logo are proprietary rights that make the sole source procurement unavailable from another source.

In reliance upon the information provided by OAL, I find and determine that there is only one source for the requested advertising and marketing sponsorship and that it is not practicable to use other than the required or designated commodity or service; as a result, OAL's request to purchase an advertising and marketing sponsorship at the University of Arkansas at Fayetteville from July 1, 2023, to June 30, 2024, in the total projected amount of \$83,000.00 is approved.

Respectfully,

A handwritten signature in black ink, appearing to read "E. Armstrong", written over a horizontal line.

Edward R. Armstrong
Director