



Sole Source Justification Approval Form

The objective of this form is to capture all relevant documentation to assist in the source justification review process. This form must be completed electronically and submitted with all relevant documentation for review and approval. Sole Source Justification Approval Forms will be posted to PSERS public website in accordance with Title 62 §106.1 and §515.

SECTION A

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| SECTION A | | | |
| Requesting Office | | Public School Employees' Retirement System | |
| Description | | SilverSneakers is a fitness and wellness program that helps retirees get active and connect with others by eliminating barriers (e.g., cost and accessibility) that may impact older adults. SilverSneakers includes community classes (in-person or online), on-demand videos, nutrition and wellness articles/videos, an on-the-go app for mobile use and access to thousands of gyms across the country. | |
| <input type="checkbox"/> | Material | | |
| <input checked="" type="checkbox"/> | Services | | |
| Delivery/service location | | 5 North 5 th Street Harrisburg, PA 17101 | |
| SAP Vendor # | | Est Total Value \$ | 7 Million Annually |
| Vendor | | Tivity Health Services, LLC ("Tivity") | |
| Vendor Address | | 701 Cool Springs Blvd. Franklin, TN 37067 | |
| Contact Name | | Email | Kristina.macchiarolo@tivityhealth.com |
| Telephone # | | Fax # | |
| Start Date | | End Date | 3/31/2025 |

SECTION B

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| SECTION B | |
| Check the appropriate reason(s) for this source justification. | |
| <input checked="" type="checkbox"/> | 1. Sole Source. Only known source – Not available from another supplier. Title 62. § 515. (a) (1) |
| <input type="checkbox"/> | 2. Exempt (Law). A federal or state statute or regulation exempts the procurement from the competitive procedure. Any applicable information precluding the procurement from competitive procedures must be attached. Title 62. § 515. (a) (2) |
| <input checked="" type="checkbox"/> | 3. Feasibility. Clearly not feasible to award the contract on a competitive basis. Title 62. § 515. (a) (4) |
| <input type="checkbox"/> | 4. Best Interest. Clearly in the best interest of the Commonwealth. Title 62. § 515. (a) (10) |
| <input type="checkbox"/> | 5. Professional Expert/ Expert Witness. Title 62. § 515. (a) (6) |
| <input type="checkbox"/> | 6. Single Source (Material/Repair/Maintenance). Material or service MUST be compatible with existing equipment. Documentation must be provided by the manufacturer. Title 62. § 515. (a) (7) |
| <input type="checkbox"/> | 7. Investment Managers/ Advisors. Title 62. § 515. (a) (8) |

Sole source procurements that use above justifications 1 - 4 are required to be posted to PSERS public website for seven (7) days prior to approval. All sole source justification approvals must be posted within seven (7) days of approval and posted for at least thirty (30) days.



SECTION C

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| <p>1.</p> | <p>Describe the unique features of this procurement that prohibit a competitive environment. If applicable, attach a Statement of Work (“SOW”).</p> | <p>PSERS is negotiating a new, 5-year agreement with Tivity. This agreement was expected to begin on January 1, 2025. Due to extended contract negotiations, this date is not achievable, and the existing agreement does not have the Commonwealth’s standard 3-month extension to maintain services until a fully executed agreement is in place.</p> <p>It is neither practical nor feasible to issue a solicitation for 3 months. Without an extension option, PSERS must amend the existing contract to extend the contract term for three months to provide enough time for to complete negotiations.</p> |
| <p>2.</p> | <p>Document and attach the research that has been conducted to date to verify the supplier is the only known source?</p> | <p>N/A</p> |
| <p>3.</p> | <p>Does the supplier utilize distributors, dealers, resellers, etc.? If “Yes” please identify.</p> | <p>No</p> |
| <p>4.</p> | <p>Are there compatibility requirements or compliance requirements with a warranty or service agreement? If yes, please explain.</p> | <p>N/A</p> |
| <p>5.</p> | <p>How has the material or service been procured in the past? Please provide previous source justifications, contracts and POs.</p> | <p>2014-67 Sole Source effective 01/01/15. 2019-44 Sole Source effective 01/01/20.</p> |
| <p>6.</p> | <p>If procured through the IT ITQ process, please provide original \$ amount and contract period of order. Is this the final phase of the project?</p> | <p>N/A</p> |
| <p>7.</p> | <p>If this is an upgrade, addition, alteration, etc., to an earlier procurement, please describe in detail.</p> | <p>N/A</p> |
| <p>8.</p> | <p>What are the consequences of not approving this procurement?</p> | <p>The SilverSneakers benefit, which is anticipated by and offered to retirees under the Health Options Program would no longer be available to PSERS members.</p> |
| <p>9.</p> | <p>If timing is a factor, what is the time factor and why?</p> | <p>Current contract ends 12/31/24.</p> |
| <p>10.</p> | <p>List any other information relevant to the acquisition of this procurement here or as an attachment.</p> | <p>The contract that is expiring December 31, 2024 is a 5-year agreement. As an independent agency, PSERS has the authority under the Procurement Code to contract beyond 5-years as determined to be prudent in the agency’s discretion.</p> |
| <p>11.</p> | <p>For requests > \$100,000, has the supplier signed cost or pricing data certification and is the pricing breakdown attached?</p> | <p>Detailed pricing not yet available.</p> |



SECTION D

Form Submitter

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|--------------------|---------------------------|--------------|--|
| Name | Sonya Charlesworth | Title | Deputy Director, HIO |
| Telephone # | 717-720-4875 | Email | scharleswo@pa.gov |
| Signature | <i>Sonya Charlesworth</i> | Date | 12/2/2024 |

This form must be signed by the PSERS Executive Director, their Designee or other individual authorized by the Board of the Public School Employees' Retirement System. Approving Authority signature connotes approval of the source justification and the cost or pricing data certification.

Approving Authority

| | | | |
|------------------|---------------------------|--------------|--------------------|
| Name | Terrill J. Sanchez | Title | Executive Director |
| Signature | <i>Terrill J. Sanchez</i> | Date | 12/2/2024 |

The printed names or electronic representations of signatures appearing on this form shall constitute signatures of those individuals. No handwritten signatures shall be required for this form to be considered "signed" by those individuals whose names appear in the signature section.