



STATE PROCUREMENT OFFICE  
NOTICE OF AND REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS

1. TO: Chief Procurement Officer  
2. FROM: Richard C. Lim

Department/Division/Agency  
Pursuant to §103D-102(b)(4), HRS, and Chapter 3-120, HAR, the Department requests a procurement exemption to purchase the following:

3. Description of goods, services or construction:  
  
Request is made to complete the Community-Based Economic Development (CBED) grant process to Maui 501 (c) (3), non-profit organization, Grants Central Station, for services related to the development and implementation of non-profit Grant Writing training in Maui County through the development and use of an interactive, workshop-based curriculum.

4. Name of Vendor: Grants Central Station Address: 50 Kuilima Place Kihei, HI 96753	5. Price: \$9,300.00
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6. Term of Contract: From: 9/21/2010 To: 8/20/2011	7. Prior Exemption Ref. No.
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8. Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State:  
  
Section 210D, HRS created the CBED Program, CBED Revolving Fund and the CBED Grants Program. Grants Central Station was awarded a grant on 9/21/10 in the amount of \$9,300.00 after having gone through the CBED grants application process (see attached). A first payment was made to the organization on 3/2/2011. Subsequently, it was determined that the CBED Grants Program was subject to the Procurement Code (103D).  
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9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:  
  
Initially, a Notice of Funding Availability is placed in a Statewide distributed publication designated by the State. Applications are made available to community-based, 501 (c) (3) organizations on-line, through hard copy mail, or hard copies distributed through community outreach. Applications are accepted throughout the fiscal year or until the amount of grant funds for that particular fiscal year are exhausted. A detailed process of the LOA process for CBED is attached.

10. A description of the agency's internal controls and approval requirements for the exempted procurement:  
  
A detailed process for CBED Letters of Agreement is attached.

REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS (Cont.)

12. A list of agency personnel, by position, who will be involved in the approval process and administration of the contract:		
Name	Position	Involvement in Process
Wayne Thom	CBED Manager/staff	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
CBED Advisory council	Appointed by the Governor	<input type="checkbox"/> Approval <input checked="" type="checkbox"/> Administration
DBEDT Director or rep	Director / Administrator	<input checked="" type="checkbox"/> Approval <input type="checkbox"/> Administration
		<input type="checkbox"/> Approval <input type="checkbox"/> Administration
		<input type="checkbox"/> Approval <input type="checkbox"/> Administration

13. Direct inquiries to:	Department: DBEDT
	Contact Name: Wayne Thom
	Phone Number: 808-587-2772
	Fax Number: 808-586-2589

Agency shall ensure adherence to applicable administrative and statutory requirements

14. I certify that the information provided above is, to the best of my knowledge, true and correct.

*Mary Alice Evans*  
for Department Head

AUG 11 2011

Date

Reserved for SPO Use Only	
15. Date Notice Posted	<u>9/14/11</u>
<p>The Chief Procurement Officer is in the process of reviewing this request for exemption from Chapter 103D, HRS. Submit written objections to this notice to issue an exemption from Chapter 103D, HRS, within seven calendar days or as otherwise allowed from the above posted date to:</p> <p>Chief Procurement Officer State Procurement Office P.O. Box 119 Honolulu, Hawaii 96810-0119</p>	
<p>Chief Procurement Officer's comments: Pursuant to HAR §3-120-5, procedures for requesting exemption and amendment shall be requested <i>prior to the procurement</i>. This request is for the period 09/21/10 to 08/20/11, received by the State Procurement Office on 09/13/11 and, therefore, disapproved. Department may re-submit for payment after-the-fact utilizing form SPO-016, Procurement Violation.</p> <p>As a reminder, individual(s) participating in procurement activities are required to be in compliance with Procurement Delegation No. 2010-01 and Amendment 1, and Procurement Circular No. 2010-05, <i>Statewide Procurement Training</i>, as appropriate. Procurement requests submitted to the SPO listing departmental personnel without written delegated procurement authority and the appropriate mandatory procurement training will be returned with no action taken. The SPO does not have a record of attendance at the appropriate mandatory procurement training for the individual named in nos. 12 and 13.</p>	

16.

APPROVED  **DISAPPROVED** NO ACTION REQUIRED

*Annex-July* 9/19/2011  
Chief Procurement Officer Date



**DEPARTMENT OF BUSINESS,  
ECONOMIC DEVELOPMENT & TOURISM**

No. 1 Capitol District Building, 250 South Hotel Street, 5th Floor, Honolulu, Hawaii 96813  
Mailing Address: P.O. Box 2359, Honolulu, Hawaii 96804  
Web site: www.hawaii.gov/dbedt

NEIL ABERCROMBIE  
GOVERNOR

RICHARD C. LIM  
DIRECTOR

MARY ALICE EVANS  
DEPUTY DIRECTOR

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PROCUREMENT OFFICE  
STATE OF HAWAII  
Telephone: (808) 586-2355  
Fax: (808) 586-2377

September 7, 2011

To: Aaron Fujioka  
Director, Hawaii State Procurement Office

From: Wayne Thom *WS*  
Community-Based Economic Development Program

RE: Request to Approve SPO-07 For Maui Non-Profit, Grants Central Station.

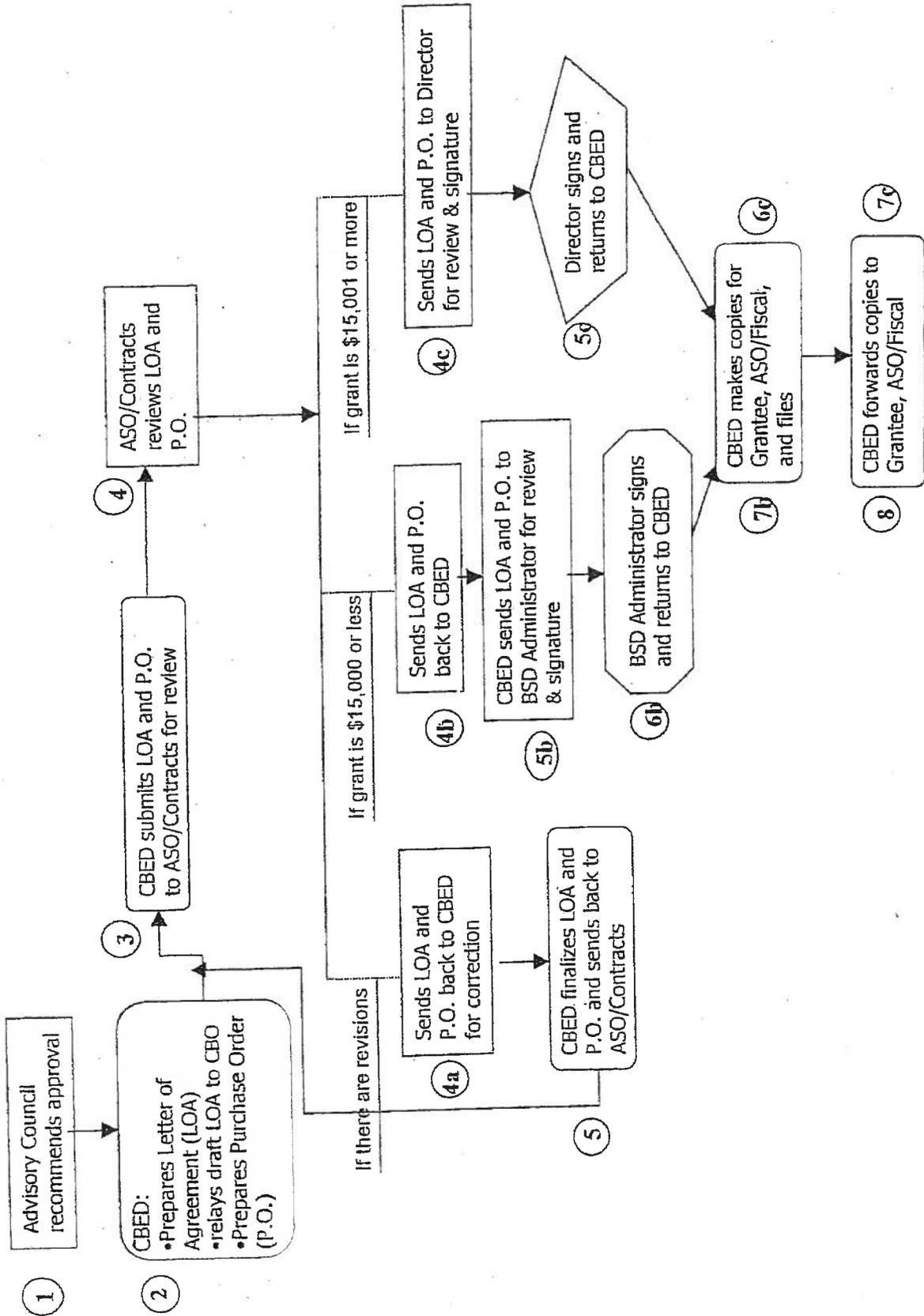
Request is made to complete the Community-Based Economic Development grant process to Maui 501 (c) (3), Grants Central Station, for services related to the development and implementation of non-profit grant-writing training in Maui County through the development and use of an interactive, workshop-based curriculum.

The Community-Based Economic Development (CBED) Program in the Department of Business, Economic Development and Tourism awarded a CBED grant of \$9,300.00 to Maui non-profit, Grants Central Station, on September 21, 2010. Grants Central submitted and was paid \$4,500.00 for the CBED grant's first deliverable on March 2, 2011. A second invoice for \$2,000 (Progress Report) was submitted to the CBED Program for payment on March 21, 2011. Grant Central's third and final payment for their Final Report was received on May 9, 2011.

Subsequent to payment by the CBED Program of Grant Central's second and final payments, it was determined that the CBED Program's grants were subject to 103D – Procurement Code. DBEDT's ASO Division notified CBED Program staff that a completed and approved Form SPO-07 would be needed to complete payments to Grants Central. Please note that Grants Central is the single outstanding grant issued by the CBED program.

*P.F. 12-125D*

# CBED Letter of Agreement (LOA) Process



CBED Letter of Agreement Process  
 CBED Council Approval to Start of Grant Period (Estimated Time)

Stop No.	Action	Responsible Party	Week
1	Recommendation for approval	Advisory Council	1
2	Preparation of Letter of Agreement (LOA), Project Approval Form (PAF), and Purchase Order (P.O.) for Contracts review.	CBED	2
3	Submits LOA and P.O. to ASO/Contracts for review.	CBED	3
4	LOA and Purchase Agreement initially reviewed	ASO/C	3
4a	If there are revisions, LOA and P.O. sent to CBED for corrections.	ASO/C	3
5	CBED finalizes LOA and P.O. and sends back to ASO/Contracts*	CBED	4
4b	If Grant is \$10,000 or less, ASO/C sends LOA and P.O. to TJS for review and signature.	ASO/C	4
4c	If Grant is \$10,001 or more, ASO/C sends LOA and P.O. to SFN for review and signature.	ASO/C	4
6	PAF and Agreement reviewed, approved, and sent to CBED	TJS or Dir's Ofc	5
7	CBED makes copies for Grantee, ASO/Fiscal, and files	CBED	5
8	CBED forwards copies of Grantee, ASO/Fiscal	CBED	5

\* Will take one more week longer if goes through step 4a.

Administrative Services Office/Contracts (ASO/C)