



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

12 MAR -9 AIO:27

STATE PROCUREMENT OFFICE
STATE OF HAWAII

TO: Chief Procurement Officer

FROM: DBEDT
Name of Requesting Department

Pursuant to HRS § 103D-102(b)(4) and HAR chapter 3-120, the Department requests a procurement exemption for the following:

1. Describe the goods, services or construction:
Transfer, customize and implement the electronic leave record system currently installed at the Department of Commerce and Consumer Affairs (DCCA).

2. Vendor/Contractor/Service Provider:	Data House	3. Amount of Request:
4. Term of Contract From:	7/1/2012 To: 12/30/2012	\$ 20,000-30,000
5. Prior SPO-007, Procurement Exemption (PE):		

6. Explain in detail, why it is not practicable or not advantageous for the department to procure by competitive means:
Leave record accounting is complex, needing to account for the proper implementation of State personnel laws, administrative rules and provisions in the various current applicable collective bargaining agreements. In addition, supplemental documentation (other than the G-1 itself) must be recorded (Physicians notes, parent/teacher conference forms, etc.) when appropriate. DCCA has worked through these issues with the vendor and has developed a system that satisfies the State's requirements for compliance. DCCA has had their system operational for more than 8 years, and so the program is refined and relatively trouble free. DCCA has paid significantly more in development costs over the life of their system than our anticipated transfer costs. DCCA is organizationally similar to DBEDT in that they have a similar mix of bargaining units, so we anticipate that we will need very few if any changes to the core programming code.

7. Explain in detail, the process that will be or was utilized in selecting the vendor/contractor/service provider:
Direct negotiations with vendor to develop scope of work and compensation.

8. Identify the primary individual(s) who is knowledgeable about this request, who will conduct and manage this process, and has 1) completed mandatory training; and 2) who may contact for follow up inquiry, if any.
 (Type over "example" and delete cells not used.)

Name of Department Personnel	Division/Agency	Phone Number	e-mail address
Ken Kitamura	ASO	586-2433	kkitamura@dbedt.hawaii.gov
Eileen Harada	ASO/C	586-4150	ekharada@dbedt.hawaii.gov

*All requirements/approvals and internal controls for this expenditure is the responsibility of the department.
 I certify that the information provided above is, to the best of my knowledge, true and correct.*

Mary Ann Evans
 for Department Head Signature

3-5-12
 Date

For Chief Procurement Officer Use Only

Date Notice Posted: 3/12/2012

Submit written objection to this notice to issue an exempt contract within seven calendar days or as otherwise allowed from date notice posted to:

state.procurement.office@hawaii.gov

Chief Procurement Officer (CPO) Comments:

This request is disapproved as it lacks sufficient justification and SPO staff's request for additional information have remained unanswered.

If there are any questions, please contact Bonnie Kahakui at 587-4702, or bonnie.a.kahakui@hawaii.gov.

Approved

Disapproved

No Action Required

Ann S. Fitch
 Chief Procurement Officer Signature

04/02/12
 Date