



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

14 FEB -7 10:38

RECEIVED

STATE PROCUREMENT OFFICE
STATE OF HAWAII

TO: Chief Procurement Officer 2014 MAY -5 A 8: 00

FROM: Department of Commerce and Consumer Affairs
Name of Requesting Department DIRECTOR'S OFFICE
COMMERCE AND
CONSUMER AFFAIRS

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:
National Theatre for Children (NTC) will utilize the financial education curriculum they developed to present a live, in-school educational performance on financial education topics to students within the State of Hawaii. NTC will train local performers in this financial curriculum-based show. The touring actors will perform Showdown at Cash Canyon, part of the NTC Financial Education Series to Hawaii's elementary schools on Oahu during the 2014-2015 school year. Showdown at Cash Canyon provides the first step in building the foundation of personal financial literacy among our elementary school children. NTC will provide the recruitment of schools, scheduling of performances, training of actors, live in-school performances, student workbooks, teacher guides, performance posters, weekly status reports, and teacher evaluation summaries at the completion of the program. Additional optional resources are available at an additional cost. Parent-Connect Events (community events) and Playworks.com (internet website) provides services beyond the in-school educational performances which would be made available to the students, teachers, and parents.

Table with 3 columns: Vendor/Contractor/Service Provider, Amount of Request, and Term of Contract. Includes handwritten dates and signatures.

6. Explain in detail, why it is not practicable or not advantageous for the department to procure by competitive means:
An RFI (Request for Information) was conducted and no responses were received. During an internet search, we found that NTC is the largest distributor of live in-school educational theatre in the United States. Since 1978, they have offered live theatre performances to schools across the country (New York, California, Texas, Maryland, Washington, Tennessee, Minnesota, North Dakota, Washington DC, Iowa, among others.) This vendor has already developed and tested curriculum, and created theatrical performances, student workbooks, teacher guides, internet links, and posters directly related to teaching elementary school children about financial education. Contracting with this vendor will eliminate the need to pay to create and develop curriculum and teaching materials with other vendors. Use of live theatre provides a forum and program that is attractive to our target age group. Reviews and compliments about this program demonstrate that it is effective in engaging the attention and interest of a challenging age group.

7. Explain in detail, the process that will be or was utilized in selecting the vendor/contractor/service provider:

An online search was done for in-school theatrical performances in HI dealing with financial literacy. In HI, Ohia Productions was found to provide in-school theatrical performances, but did not provide any performances about financial literacy. In 2013, "In the Clear Blue Sea" about the environment & "Fishing Tales" about imagination. In 2014, "Islands of the Pacific" about HI will be performed. Another search was made for financial education for elementary school students. Several programs were found, FDIC Money Smart, Visa Practical Money Skills, & BizKid\$ all providing financial education curriculum & materials to teach kids about money. Two are only written curriculum students do in school or at home. The third is a public TV series that teaches kids about money & business. None are in-school performances. Another search was done for financial education theatrical performances. Several programs were found to have run in several states, including WA (Dept of Financial Institutions), NE (Bank of the West), and TX (CitiGroup). All were the NTC financial literacy program. NTC has 35 yrs of success with the financial literacy shows for schools performed across the US. There were no other production companies found during the search that provided a full package of customized services including research, curriculum development, training, performances, scheduling, coordinating, classroom materials, teachers guides, online links, advertising & school posters. An RFI was also conducted which produced no responses.

8. Identify the primary responsible staff person(s) conducting and managing this procurement. (Appropriate delegated procurement authority and completion of mandatory training required).

\*Point of contact (Place asterisk after name of person to contact for additional information).

Name	Division/Agency	Phone Number	e-mail address
Jacqueline Choy	Director's Office	586-2760	jchoy@dcca.hawaii.gov
Brent Suyama *	Director's Office	586-7582	bsuyama@dcca.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.*

  
 Department Head Signature

2/6/14   
 Date

**For Chief Procurement Officer Use Only**

Date Notice Posted: 2.10.14

Inquiries about this request shall be directed to the contact named in No. 8. 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 approval is granted is based on the additional information provided by the department (attached) and with the understanding that the contractor is the single source to provide desired services. This approval is for the solicitation process only and, HRS section 103D-130(c) and HAR Section 3-122-112, shall apply (i.e. vendor is required to be compliant on the Hawaii Compliance Express) and award is required to be posted on the Awards Reporting System. Copies of the HCE certificate and awards posting are required to be documented in the procurement/contract file.

If there are any questions, please contact Donn Tsuruda-Kashiwabara at 586-0565 or donna.tsuruda-kashiwabara@hawaii.gov.

Approved       Disapproved       No Action Required

  
 Chief Procurement Officer Signature      4/17/14  
 Date

March 6, 2014 – answers to questions to Request for Exemption from HRS Chapter 103D

1. Cost analysis and savings:

The work that is being requested is of such a specialized nature that there is only a single source, by virtue of experience, expertise, proximity to the project and ownership of intellectual property rights, that can satisfactorily provide the service.

The vendor (NTC) has developed, tested and used proprietary intellectual property such as; scripts, student workbooks, teacher guides, internet links and posters directly related to teaching school children. Contracting with this vendor means that DCCA will not have to pay for the development of curriculum which can be expensive. Use of live theater provides a forum and program that is attractive to this age group. Reviews and compliments about this program demonstrate that it is effective in engaging the attention and interest of a challenging group. The National Theater for Children is an American-based organization, and DCCA has negotiated a fair and reasonable price.

To source every aspect of this production would take a tremendous investment of time and would require a tremendous amount of expertise. This program has been delivered into schools around the country over the last two years and is student and teacher tested. This kind of real-world testing would add another level of cost in addition to the following:

- a. Creation of Intellectual Property (IP) of this program from scratch:
  - a. Research topic, determine teaching points, develop show characters and plot, write and revise treatment of script, three drafts of scripts, etc.
  - b. Based on the script, write the print curriculum and teaching materials (student workbooks, teacher guides, classroom posters), visually design the show characters, design layout of each of the teaching materials, write educational apps, design educational apps, program educational apps, etc.
  - c. Design and building set, etc.

Approximately \$70,000 to create the program IP

- b. Schedule schools: write intro letter and faxes, mail to all schools in target area, program website for online scheduling, follow-up faxes, phone calls and emails to schools for manual scheduling, collection of LOA's for each scheduled school, overhead (including phone system, scheduling system, etc.)

Approximately \$14,000 to complete scheduling of 30 schools

- c. Hiring the production producer, hiring a theater director, auditioning actors, hiring two actors, conducting background checks, rehearsing actors, insurance for actors, touring of actors (including insurance, lodging, vehicle, gasoline, per diem, etc.)

Approximately \$21,000 to mount and tour the production for three weeks.

- d. Printing and shipping curriculum – posters and teacher guides for 30 schools (approximately 20 each/school) – and workbooks for 18,000 students (two color cover, b&w inside, stable bound, 12-18 pages each)

Approximately \$21,000 to print and ship curriculum for 20 schools & 18,000 students

- e. Coordination of all the above, create actor books, establish press relations, weekly reporting and final evaluations.

Approximately \$8,000 to coordinate production and reporting

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Total for entire program if done in pieces: \$134,000

**2. Partnership with HCUL and Credit Unions:**

Finding partners has always been a challenge for DCCA. The HCUL and the Credit Unions have been cleared by the ethics office and the attorney general's office. In discussing the need for financial education in our elementary schools with the HCUL, it was agreed that the theatrical performances would be a unique way of accomplishing our goal.

It was also understood that only half of the amount would be paid for by DCCA with the other half provided by outside sources (credit unions and other non-profit agencies or government agencies interested in the project) and if matching funds were not received, the program would not be implemented.

## **Addition to Request for Exemption from HRS Chapter 103D**

**6. Explain in detail, why it is not practicable or not advantageous for the department to procure by competitive means:**

**In the *Hawaii State Asset Building and Financial Education Task Force Final Report* submitted to the Hawaii State Legislature in January 2010, it states that "financial education and asset building should be a priority in our schools, workplaces, VITA sites, financial institutions and at other readily accessible moments." The Task Force recommended maximizing financial education opportunities for our youth "to effectively teach financial skills to youth – whether woven into classroom lessons, taught in after-school programs and community assemblies, integrated into club and athletic activities, or led by partner organizations." With members of the Department of Commerce and Consumer Affairs (DCCA) having participated on the Financial Education Subcommittee, DCCA felt a responsibility to take a major role in furthering financial literacy amongst our youth.**

**Finding partners has always been a challenge for DCCA since we are a regulatory agency and limited to the organizations we are able to partner with in any project we undertake. The Ethics Office and the Attorney General's Office have cleared the Hawaii Credit Union League (HCUL) as one such agency. Also a member of the Financial Education Subcommittee, the HCUL was committed to also furthering financial education in our elementary schools and agreed to partner with the DCCA to accomplish this goal. We additionally met with their Family Involvement Committee and received their approval to work with the HCUL's membership on this project.**

**A new and innovative way to bring financial education into the schools was discussed. We wanted something other than boring lectures and written curriculum. We wanted an exciting way to present the materials to students in K-6. We decided that a play was a great way to introduce the students to financial issues in addition to having the written curriculum taught in school to enhance the student learning experience.**

**The University of Washington and the Aspen Institute study *Starting Younger: Evidence Supporting the Effectiveness of Personal Financial Education for Pre-High School Students* believes that "if useful attitudes and habits in areas such as saving can be molded at an early age, financial behavior may be altered in a positive and permanent direction." The study showed that a percentage increase in knowledge was significantly related to the grade level of the student. "The lower the grade, the more they learned."**

**The goal was to find an organization that could provide us with in-school performances about financial education.**

**An RFI (Request for Information) was conducted to see if there was an organization that could provide us with developed financial education curriculum that meets national educational standards, theatrical performances, training of cast members, and support in getting the shows into the schools as well as providing us with program evaluations. One**

stipulation in the RFI was that only half of the total contract amount would be paid for by DCCA with the other half provided by outside sources and if matching funds were not received, the program would not be implemented. No responses for the RFI were received.

X An online search was done for in-school theatrical performances in Hawaii dealing with financial literacy. In Hawaii, Ohia Productions was found to provide in-school theatrical performances, but did not provide any performances about financial literacy. In 2013, the production company performed "In the Clear Blue Sea" a show about the environment and "Fishing Tales" a show about imagination. In 2014, "Islands of the Pacific", a show about HI will be performed. When contacted, a representative at Ohia Productions stated that a performance about financial education would not be produced in the near future. The topics they had did not satisfy our requirements of in-school performances about financial education.

X Another search was made for financial education for elementary school students. Several programs were found, FDIC Money Smart, Visa Practical Money Skills, & BizKid\$ all providing financial education curriculum & materials to teach kids about money. As a partner with the FDIC Money Smart program, we know that this program provides only written curriculum. The Visa program was also found to be written curriculum in which students would do in school or at home. The third is a public TV series that teaches kids about money & business. The programs we found did not satisfy our requirements of in-school performances about financial education.

Combining the two forms, written in-school curriculum and live in-school performances was important to our outreach goals. As found in the *Starting Younger* study, a 13% increase of knowledge and attitudes toward savings was produced as a direct result of seeing a live performance. Having the combination was essential in our goal to increase financial education in our elementary schools.

Another search was done for financial education theatrical performances. Several programs were found to have run in several states, including Washington (Dept of Financial Institutions), Nebraska (Bank of the West), and Texas (CitiGroup). All the programs were found to be the NTC financial literacy program.

NTC is a recognized leader with over 35 yrs of success with the financial literacy shows for schools performed across the US as well as other topic areas. A case study done for Thrivent Financial was found to have generated positive feedback in local communities as well as the sponsor Thrivent Financial. It seemed to be a successful program with a total of 64 performances at over 51 schools during a five week period in three cities. Another satisfied sponsor is Tennessee Valley who ran the Energized Guyz for three school years, reaching 700 schools within each school year at a cost of \$650,000.

During the internet search, we found that NTC is the largest distributor of live in-school educational theatre in the United States with educational curriculum and live performances in six different categories: energy, environment, financial literacy, health and character education, STEM, and water. Since 1978, they have offered live theatre performances to

X When were these searches made?

**schools across the country (New York, California, Texas, Maryland, Washington, Tennessee, Minnesota, North Dakota, Washington DC, and Iowa, among others.)**

**This vendor has already developed and tested curriculum, and created theatrical performances, student workbooks, teacher guides, internet links, and posters directly related to teaching elementary school children about financial education. All the components of the show will be customized to fit into the Hawaiian culture. The show is designed and written to be entertaining as well as educational.**

**The live production and the printed materials are compliant to national education standards: Financial Responsibility and Decision Making; Income and Careers; Planning and Money Management; Credit and Debt; and Saving and Investing. Although Hawaii does not have specific personal financial literacy standards, this program will address Hawaii Content and Performance Standards in: Economics; Math, Numbers and Operations; Career Planning; Language Arts, Oral Communication; and Fine Arts, Drama and Theatre.**

**The financial education program we are seeking is owned by the NTC and the only source providing this type of financial education. It is turnkey and a cost-effective approach to our educational outreach. There were no other companies found, locally or nationally, during the search that provided a full package of customized services including research, curriculum development, training, in-school performances, scheduling, coordinating, classroom materials, teacher guides, evaluations, online links, advertising and school posters.** ✖ ✖

**Contracting with this vendor will eliminate the need to pay to:**

- 1. Create and develop curriculum and teaching materials with other vendors which can be quite expensive.**
- 2. Create a theatrical production, train actors, write scripts, and create sets and costumes.**
- 3. Pay for actors, including insurance, travel, and per diem.**
- 4. Schedule with the Department of Education and individual schools and community organizations and coordinate the logistics of the shows.**
- 5. Create, print and distribute resource materials for students and teachers at each of the schools scheduled for performances.**
- 6. Advertise the showings within the community and within the schools**
- 7. Conduct evaluations among teachers and create usable reports for the DCCA**

**They have a ready-made packages that we can use at the elementary school, middle school, and high school levels. The shows and curriculum that are available are about money and saving, *Showdown at Cash Canyon*; financial literacy, *Mad About Money* and *Crazy About Credit*; saving and investing, *Mad About Money II: Pay Yourself First*; and investing, *Insane About Investing*. We would start off with *Showdown at Cash Canyon* for the elementary school level and measure its success within the schools before moving on to the middle school program and eventually the high school program. This will allow us to grow alongside the students and follow them through their school career with these added titles.**

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**Use of live theatre provides a forum and program that is attractive to our target age group. Reviews and compliments about this program demonstrate that it is effective in engaging the attention and interest of a challenging age group. This program provided by the NTC would help us meet our educational outreach goals.**