



**STATE PROCUREMENT OFFICE  
NOTICE OF REQUEST TO AMEND AN EXEMPTION  
FROM HRS CHAPTER 103D CONTRACT**

14 FEB 28 P4:32

STATE PROCUREMENT OFFICE  
STATE OF HAWAII

TO: Chief Procurement Officer  
FROM: State Procurement Office  
*Name of Requesting Department*

*Pursuant to HRS §103D-102(b)(4) and HAR section 3-120-5(d), the Department requests to amend an exempt contract as follows:*

1. SPO-007, Exemption Reference (PE) Number: PE13-071Ka1
2. Vendor/Contractor/Service Provider Name: Periscope Holdings, Inc.

3. Describe the goods, services, or construction: License for National Institute of Governmental Purchasing (NIGP) Commodity Code system (5 digit) for the State of Hawaii eProcurement System - HlePRO.
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4. Explain in detail what is being amended: The current approval for PE13-071Ka1 is due to expire on 3/12/2014. SPO is requesting approval to extend the approval date for an additional 12-months for the period March 13, 2014 to March 12, 2015.
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5. Amended contract price for this request: \$ 12,500
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6. Explain in detail why the amendment(s) are necessary: The NIGP code is proprietary and the most commonly used commodity code system. In a survey of 44 states, 24 states use the NIGP code, 10 use UNSPSC, and 3 states use other systems or a combination of other system mentioned (7 states did not respond). The United Nations Standards Products and Services Code (UNSPSC), the North American Industry Classification System (NAICS), and the Harmonized System (HS) are not commonly used or updated systemically. Regular updating of commodity codes is necessary to identify goods and services to be purchased. The NAICS addresses the needs of primarily the manufacturing community and not suitable for government procurement. The NIGP was used by the HePS from 2008 to 2013 (last solicitation in December 2013) and the code the vendors are most familiar with. The new eProcurement system HlePRO, which was introduced August 2013, has already implemented the NIGP code and to change now in the early stages of implementation would have a major impact and confusion on both government employees and vendors. Changing commodity codes may result in vendors not receiving e-mail notifications or registering for the appropriate codes, resulting in less competition. Changing commodity codes would also necessitate additional training and further delay the full use of HlePRO.
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7. 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	Email address
Bonnie Kahakui	SPO	587-4702	<a href="mailto:bonnie.a.kahakui@hawaii.gov">bonnie.a.kahakui@hawaii.gov</a>

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

Mara Smith Department Head Signature 2/28/14 Date

**For Chief Procurement Officer Use Only**

Date Notice Posted: 3-5-14

Submit written objection to this notice to issue a sole source contract within seven calendar days or as otherwise allowed from date notice posted to:  
[state.procurement.office@hawaii.gov](mailto:state.procurement.office@hawaii.gov)

Chief Procurement Officer (CPO) Comments:

This approval is for the solicitation process only, HRS section 103D-310(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](mailto:donna.tsuruda-kashiwabara@hawaii.gov).

Approved     Disapproved     No Action Required

[Signature] Chief Procurement Officer    3/21/14 Date