



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

**RECEIVED**

By State Procurement Office at 3:59 pm, Mar 04, 2016

**TO:** Chief Procurement Officer

**FROM:** State Procurement Office  
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 and/or services:  
Women, Infant & Children (WIC) Infant Soy Formula Rebate from the National Association of State Procurement Officials (NASPO) cooperative agreement contract.

2. Vendor/Contractor/Service Provider: Gerber Products Company (dba Nestle Infant Nutrition)	3. Amount of Request: \$ paid to state est. \$500,000
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4. Term of Contract From: 10/15/2015 To: 9/30/2018	5. Prior SPO-007, Procurement Exemption (PE): na
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6. Explain in detail, why it is not practicable or not advantageous for the department to procure by competitive means:  
This request is for an exemption from 103D compliance with: Chapter 237 GET law; Chapter 383, Hawaii Employment Security Law; Chapter 386, Worker's Compensation, Chapter 392, TDI, Chapter 393, Prepaid Health Care Act, and Certificate of Good Standing (COGS). The rebate contract was competitively solicited by NASPO, of which Hawaii is a member, and in compliance with chapter 103D, Part VIII, and chapter 128, Hawaii Administrative Rules governing cooperative agreements. The State does not require recipients of the WIC program to select the Nestle Soy Infant Formula only from a participating store, but if they do, the State can submit to Nestle for a rebate. The expected rebate to the State is approximately \$500,000 which is used to provide service to needy families statewide. The contractor does not do business directly with the State, but through retail outlets throughout the State. Only the rebates are made directly from the contractor to the State.

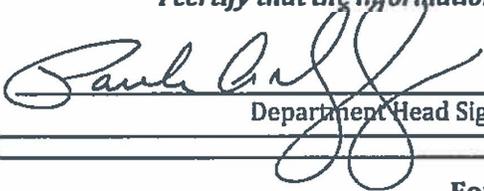
7. Explain in detail, the process that will be or was utilized in selecting the vendor/contractor/service provider:  
The rebate contract was competitively solicited by NASPO, of which Hawaii is a member, and in compliance with chapter 103D, Part VIII, and chapter 128, Hawaii Administrative Rules governing cooperative agreements. The State does not require recipients of the WIC program to select the Nestle Soy Infant Formula, but they must use a store accepting WIC vouchers.

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
Bonnie Kahakui	SPO	587-4702	bonnie.a.kahakui@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

3-4-2016

Date

**For Chief Procurement Officer Use Only**

Date Notice Posted: 03/07/2016

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:

Retroactive approval is granted for the period 10/15/2015 to 09/30/2018, with the understanding that the contractor does not do business directly with the State, and any infant soy formula rebates will be made directly from the contractor to the State.

If there are any questions, please contact Stacey Kauleinamoku at 586-0571, or [stacey.l.kauleinamoku@hawaii.gov](mailto:stacey.l.kauleinamoku@hawaii.gov).

Approved

Disapproved

No Action Required



Chief Procurement Officer Signature

3/18/16

Date