



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

16 JUL -1 A10:25

ADMINISTRATION  
STATE PROCUREMENT OFFICE  
STATE OF HAWAII

TO: Chief Procurement Officer

FROM: Hawaii Strategic Development Corporation  
*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:

Sponsorships under the HI Growth Connect and Network (CAN) Program to be awarded for programs that benefit and serve the HI Growth Initiative. Copies of previous exemptions for the program are attached.

2. Vendor/Contractor/Service Provider	TBD based on applications approved by the sponsorship review committee	3. Amount of Request:	
		\$ 250,000	
4. Term of Contract From:	7/1/2016	To:	6/30/2017
		5. Prior SPO-007, Procurement Exemption (PE):	PE-15-067S

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

This exemption request addresses situations where opportunities arise for HSDC to sponsor events and community programs and it is not practical to obtain multiple quotes for the same program. After discussions with SPO in 2012, an exemption request (12-093K) was submitted by HTDC and approved, and a hybrid RFP process was implemented specifically for event sponsorships. HSDC applied for and was granted an exemption in 2015 to operate a substantially similar program. The current procedures have worked satisfactorily starting 7/1/2015 and ending 6/30/2016 for HSDC. Prior to the current exemption, procurement exemption requests were submitted individually for each worthy sponsorship opportunity as it arose but at times the short turnaround needed for the approval resulted in lost opportunities.

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

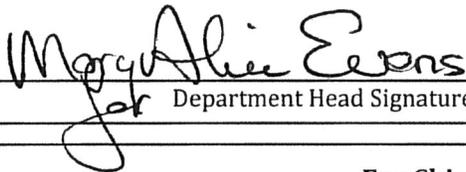
HSDC will post an RFP at the beginning of the FY17 fiscal year and remain open for the duration of the fiscal year, inviting applications for sponsorship of programs that are in alignment with the HI Growth CAN Program and priority areas. Applications received will be evaluated by the Procurement Officer, or a Sponsorship Evaluation Committee against an established set of criteria as outlined in the RFP. Recommendations will be presented to the Procurement Officer, who will award subject to satisfaction of the requirements described in the RFP, and the availability of funds.

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
Karl Fooks	HSDC	587-3830	Karl.Fooks@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

6-23-16  
 Date

**For Chief Procurement Officer Use Only**

Date Notice Posted: 07/07/2016

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](mailto:state.procurement.office@hawaii.gov)

Chief Procurement Officer (CPO) Comments:

This request is disapproved as the department's previous procurement exemption approval, PE15-067S, expired on 6/30/2016 and services continued without an exemption approval subsequent to 6/30/2016. In addition, a few awarded programs' Hawaii Compliance Express (HCE) "Certificate of Vendor Compliance" were not downloaded until after an award was already posted to the Awards Reporting site. Failing to comply with CPO requirements, procurement circulars and directives, the Hawaii Public Procurement Code and its administrative rules are procurement violations. Department shall submit form SPO-016, Report of Procurement Violations: Findings and Corrective Actions and/or Request for After-the-Fact Payment Approval, and shall include corrective actions taken to ensure there is no recurrence which may include, but is not limited to written internal policies, approval/oversight procedures, training implementation and/or requirements.

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

7/14/16

Date