

STATE OF HAWAII REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS

TO: Chief Procurement Officer

FROM: State Procurement Office, Dept. of Accounting & General Services
(Department/Division/Agency)

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

<p>Description of goods, services, or construction:</p> <p>As a demonstration project, allow the State Procurement Office to conduct procurements of less than \$50,000 for goods, services, and construction through the Hawaii Electronic Procurement System (HePS).</p>
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Name of Vendor:	Various	Cost: Unknown
Address:		

Term of Contract:	From: 12/15/2005	To: 6/30/2006	Prior Exemption
Ref. No. (if applicable)			None

<p>Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State:</p> <p>Section 103D-305, HRS, specifies that procurements less than \$25,000 may be conducted using small purchase procedures as established by rules. To assist with the implementation and testing of the Hawaii Electronic Procurement System (HePS), the State Procurement Office is proposing, as a demonstration project, to conduct small purchase procurements of less than \$50,000 for all divisions of the Department of Accounting & General Services. The higher small purchase level is requested to allow a greater number of solicitations via the HePS.</p> <p>Details of the process or procedure to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:</p> <p>The HePS is designed to provide a broader number of businesses the opportunity to respond to procurement solicitations, thereby making the small purchase process open and competitive. Under the HePS, vendors register on the HePS selecting category codes for the types of goods or services they offer. These vendors are electronically notified whenever an agency solicits an online request for quotes for their category of items, for which the vendor can respond electronically. The vendor will receive award notification electronically and thereafter the agency will be able to place the order and make payment via the pCard</p>

A description of the agency's internal controls and approval requirements for the exempted procurement:

A SPO employee will conduct procurements through the HePS under this demonstration project. Release of the solicitation will require the prior approval of the SPO employee's immediate supervisor with oversight provided by the purchasing analyst managing the HePS.

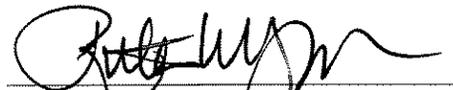
A list of agency personnel, by position title, who will be involved in the approval process and administration of the contract:

Vicki Kitajima, Purchasing Specialist, shall be the SPO employee to initially use the HePS.
 Sharon Koga, Purchasing Staff Supervisor, shall approve the solicitations prior to their release on the HePS.
 Justin Fo, Purchasing Analyst, and HePS project manager, shall oversee the progress and results of the demonstration project.

Direct questions to:	Ruth Yamaguchi	Phone Number:	586-0554
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This exemption should be considered for list of exemptions attached to Chapter 3-120, HAR: Yes No

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS, TO THE BEST OF MY KNOWLEDGE, TRUE AND CORRECT.

 12/2/05
 Department Head or Designee Date
 Procurement Officer
 Title (If other than Department Head)

Chief Procurement Officer's Comments:

This approval shall also allow the SPO to use the HePS for purchasing requests received by the SPO via SPO Form-18 that are estimated to be for procurements less than \$50,000.

The SPO shall ensure that vendors receiving awards \$25,000 or more shall comply with the requirements of Chapter 103D-310, HRS.

Please ensure adherence to applicable administrative requirements.

APPROVED

DISAPPROVED

 12/16/05
 Chief Procurement Officer Date