



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

1. TO: Chief Procurement Officer

2. FROM: Garry Kemp, Child Support Enforcement Agency 

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:

3. Description of goods, services or construction:

The State of Hawai'i, like other states, is looking for ways to improve its performance on the key OCSE incentive measures. To that end, it has recently developed and implemented a Decision Support System (DSS), a data warehouse to capture and assemble information in a way that can be used by management to meet reporting requirements and by line staff to effect improvements in the use of staff time to deliver better client services. Our new data warehouse presents an opportunity to develop a set of tools for caseworkers that will give them access to more information and to more accurate and timely information than they have had access to in the past to manage their cases. As we try to work more complex caseloads with stagnant or declining resources, we look for ways to improve the efficiency and effectiveness of the staff we currently have. The data warehouse is an opportunity to achieve that objective. But, it will only remain an opportunity until we can make the information from it accessible and valuable to our operations. That requires making an additional investment in assembling the data in formats that contribute to operational excellence. This project seeks federal funding under 1115 Priority Area 2 (Using Business Intelligence/Data analysis to Improve Performance) to help us realize the promise offered by the DSS.

4. Name of Vendor: Policy Studies, Inc.
Address: 1899 Wynkoop Street Suite 300
Denver, CO 80202

5. Price:
\$103,448*

6. Term of Contract: From: 1/1/2009 To: 2/28/2010

7. Prior Exemption Ref. No.
0

8. Explanation describing how procurement by competitive means is either not practicable or not advantageous to the State: The agency submitted a Section 1115 grant proposal to seek federal assistance for purposes of data analysis to improve performance. This proposed project is essentially further development of the agency's existing decision support system, which was developed and implemented by Policy Studies, Inc. (PSI). Because of this, the agency named PSI as the designated contractor in the application for the project. Had the agency been opted for finding a new vendor through a competitive bidding process, the new vendor would have to experience a lengthy learning curve given the complexity of the agency's data warehouse, and the limited availability of federal grant might not be sufficient to afford such change.

See attachments for details on the application and the grant acceptance letter

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:
n/a

*Source of Funds	Amount	% of Project Budget
Section 1115 grant	\$30,000	29%
State Match	\$5,172	5%
Regular Federal Match	\$68,276	66%
Total Project Budget	\$103,448	100%

65.55

REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS (Cont.)

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

The agency is required to submit quarterly financial and performance reports to the federal grant management agency for review. Due to stringent nature of the periodic scrutization, the project will be executely according to the proposal and produce results as forecasted.

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

Name	Position	Involvement in Process	
Sheri Wang	Assistant Administrator	<input checked="" type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Roxanne Watanabe	Statewide Disbursement Unit	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
		<input type="checkbox"/> Approval	<input type="checkbox"/> Administration
		<input type="checkbox"/> Approval	<input type="checkbox"/> Administration
		<input type="checkbox"/> Approval	<input type="checkbox"/> Administration
		<input type="checkbox"/> Approval	<input type="checkbox"/> Administration

13. Direct inquiries to: Department: Child Support Enforcement Agen
 Contact Name: Sheri Wang
 Phone Number: 692-7131
 Fax Number: 692-7134

Agency shall ensure adherence to applicable administrative and statutory requirements

14. *I certify that the information provided above is, to the best of my knowledge, true and correct.*

Department Head

Date

OCT 28 2008

Reserved for SPO Use Only

15. Date Notice Posted 10/31/08

The Chief Procurement Officer is in the process of reviewing this request for exemption from Chapter 103D, HRS. Submit written objections to this notice to issue an exemption from Chapter 103D, HRS, within seven calendar days or as otherwise allowed from the above posted date to:

Chief Procurement Officer
 State Procurement Office
 P.O. Box 119
 Honolulu, Hawaii 96810-0119

REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS (Cont.)

Chief Procurement Officer's comments:

This approval is based on the AG's Office representation that federal funding has become available to fund improvements to their Decision Support System and that this vendor who developed and implemented this system was selected via a Request for Proposals.

This approval is for the solicitation process only, HRS section 103D-310(c) and HAR section 3-122-112, shall apply.

16.



APPROVED



DISAPPROVED



NO ACTION REQUIRED

Alan S. Fujita 11/10/08
Chief Procurement Officer Date