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June 15, 2010

PROCUREMENT CIRCULAR NO. 2010-01

TO: Office of the Governor
Office of the Lieutenant Governor
Executive Department Heads
State Librarian

Chief Procurement Officers:

Department of Education, Superintendent
University of Hawaii, President
Office of Hawaiian Affairs, Chairperson of the Board
Hawaii Health Systems Corporation, Chief Executive Officer
Judiciary, Administrative Director of the Courts
Senate, President
House, Speaker of the House of Representatives
Counties of Hawaii, Kauai, Maui and City & County of Honolulu:
Executive Branch, Finance Director
Legislative Branch, Chairperson of the County Council
Boards/Departments of Water Supply, Manager/Chief Engineer

FROM: Aaron S. Fujioka 

SUBJECT: Posting Procurement Awards, Notices and Solicitations (PANS)

The Awards reporting and Health & Human Services RFP posting systems were compromised in March resulting in no public access for two weeks to view, and departments are still unable to post to date. The Department of Accounting and General Services, Information and Communication Services Division (ICSD) is working toward resolving security issues.

The purpose of this procurement circular is to provide 1) procedures to resume posting, and 2) notice of the State Procurement Office (SPO) intent to consolidate and streamline the online systems for posting, and ensure security, transparency and efficiency. Changes will be incremental and when completed, users will access a single website to post procurement awards, notices, and solicitations.

This procurement circular replaces Procurement Circular Nos. 2006-01 and amendments, 2005-02 and 2004-04. Below is a summary of the policy and procedural changes. Details for implementation are in the attached *Quick Reference: Posting Procurement Awards, Notices and Solicitations*.

CPO jurisdictions are encouraged to continue posting to these central sites to promote transparency and efficiency. Providing one centralized location is an open and efficient way for vendors and interested parties to:

- find procurement notices for opportunities to compete for state and county contracts;
- find consolidated award information; and
- promote unity and cooperation.

Accounts Manager, User Accounts (Login/Password) and Security

- Accounts Managers. Each executive department head and participating Chief Procurement Officer (CPO) jurisdiction shall delegate an Accounts Manager as the point of contact accounts, to manage and distribute user accounts, and provide oversight to ensure security is maintained and data is accurate and entered correctly. Submit form SPO-040 *Posting Delegation Authority: Procurement Awards, Notices and Solicitations* to state.procurement.office@hawaii.gov by June 22, 2010.
- User Accounts. New user accounts for each division and administratively attached office will be distributed to the Accounts Manager. One account per division provides the ability to review and edit all data entered. After accounts are implemented, Accounts Manager may request additional accounts, if needed.
- Users and Account Managers shall attend SPO Workshop No. 140: *Overview of the SPO Website and Posting Procurement Awards, Notices and Solicitations* within 120 days of delegation.

Award Reporting

- With the exception of professional service awards pursuant to HRS §103D-304, awards of goods, services, construction, and health and human services shall be reported using the new user accounts. Professional service awards shall continue to be posted with current login/password.
- To increase transparency, effective July 1, 2010, competitively procured health and human services awards pursuant to HRS Chapter 103F, shall be posted within 7 days of the notice of award (instead of upon execution of contract as previously required.)
- Because ICSD is still working on resolving security issues, only computers on the state network have access at this time. SPO will continue to enter data for participating CPO jurisdictions that are not on the state network until the security issues are resolved.

Health & Human Services Requests for Proposals

- Use the new user accounts to post requests for proposals for health & human services.

Procurement Notices

- Effective July 1, 2010, the Procurement Notices System (PNS) website shall consist of two components:
 - Solicitations conducted on HePS; and
 - Solicitations not conducted on HePS.
- Notices for solicitations conducted on HePS that are open to all registered vendors, such as invitation for bids (IFB) and requests for proposals (RFP) will be automatically posted to the PNS website and will not require additional manual posting.
- For solicitations not conducted on HePS, continue to post notices to the PNS using existing login/password.

The *Quick Reference: Procurement Awards, Notices and Solicitations (PANS)*, form SPO-040, manuals/other aids, and links for posting are available at: <http://hawaii.gov/spo>. Click *For State and County Procurement Personnel*, and *Posting Procurement Awards, Notices and Solicitations*. The *Quick Reference*, forms, and other aids will be updated as needed. Procurement personnel should check the website regularly.

Informational Sessions

Posting Procurement Awards Notices and Solicitations informational sessions will be held to provide a brief overview of the process and to answer questions. Sessions will be held on the following dates at the Kalanimoku Building, 1151 Punchbowl Street, Honolulu, Room 322. Personnel may register at <http://hawaii.gov/spo> click *Training for State and County Procurement Personnel* for any of the informational session dates:

June 30, 2010	1:30 - 2:30 PM
July 1, 2010	1:30 - 2:30 PM
July 6, 2010	1:30 - 2:30 PM

Your staff may contact Mara Smith at 587-4704 or mara.smith@hawaii.gov, Wendy Orita at 586-0563 or wendy.m.orita@hawaii.gov, if they have any questions, or you may contact me at 587-4700.

Attachments

Quick Reference: Posting Procurement Awards, Notices and Solicitations (PANS)

Accounts Manager and User Accounts

Accounts Manager

Each department or participating Chief Procurement Officer (CPO) jurisdiction shall delegate an Accounts Manager and an alternate to:

1. Be the point of contact for department and CPO jurisdiction accounts.
2. Delegate user accounts to personnel and report users to State Procurement Office (SPO) on form SPO-040.
3. Provide oversight to ensure account security is maintained and *Procurement Awards, Notices and Solicitations* (PANS) information is accurate and posted correctly in accordance with this *Quick Reference*.

Note: Form SPO-040 shall be used to delegate or change Accounts Manager, alternate, or users and request new user accounts and submitted to state.procurement.office@hawaii.gov. Do not submit original to SPO.

Procedures for Delegating User Accounts (Login/Password)

- Each department or participating CPO jurisdiction shall be assigned one account per division/administratively attached office. A single account permits the user to view/edit all information for the division.
- SPO shall issue user accounts to the Accounts Manager;
- Accounts Manager shall manage and distribute user accounts.
- Each department or participating CPO jurisdiction shall establish procedures to:
 1. Ensure security of user accounts;
 2. Ensure PANS information is accurate and posted correctly;
 3. Report user account delegations or changes, to the Accounts Manager. The Accounts Manager shall report changes to SPO within 20 working days on form SPO-040.
- Users and Accounts Manager shall attend SPO Workshop No. 140: Overview of the *SPO Website and Posting Procurement Awards, Notices and Solicitations* within 120 days of delegation. Additional training may be required.
- Additional user accounts may be requested by the Accounts Manager on form SPO-040, if needed. Security shall be considered in the decision to request additional user accounts.
- Only government employees may access accounts. Contractors shall not be given access.
- Accounts for Procurement Notices System (PNS) and the Professional Services Awards are unchanged. Agencies shall continue to post with existing login/password.
- Form SPO-040 shall be submitted to state.procurement.office@hawaii.gov.

Security

User Responsibilities

- Users shall maintain the security of account login/password. Password shall not be posted in public places such as on a computer monitor.
- Users may change their password. Password will not be maintained by SPO. Password shall not be the same as the login or easily predictable (i.e. the users name) and shall:
 1. Contain at least –
 - Seven alpha numeric characters;
 - One upper case letter;
 - One lower case letter; and
 - One number.
 2. Not use symbols such as &%#@, or spacing.
Example: Acceptable: zMp193x Not acceptable: AbC #123

Procurement Notices

POST: Notices for procurement methods and processes	Minimum No. of Days Notice Shall be Posted
HRS Chapter 103D – Hawaii Public Procurement Code (Goods, Services & Construction)	
Competitive Sealed Bids (IFB) - Goods and Services <i>(Reference: HAR §3-122-16.02)</i>	12
Competitive Sealed Proposals (RFP) - Goods and Services <i>(Reference: HAR §3-122-16.02)</i>	32
Competitive Sealed Bids or Proposals – Construction <i>(Reference: HAR §3-122-16.02)</i>	17 days after pre-bid/proposal conference
Professional Services <i>(Reference: HAR §3-122-16.03)</i>	Sufficient time to allow adequate competition
Requests for Interest <i>(Reference: HAR §3-122-16.31)</i>	Sufficient time to allow adequate competition
Requests for Information <i>(Reference: HAR §3-122-9.02)</i>	Sufficient time to allow adequate response
HRS Chapter 103F – Purchases of Health & Human Services	
Competitive Method of Procurement (RFP) <i>(Reference: HAR § 3-141-407(c)(1))</i>	28
Requests for Information <i>(Reference: HAR § 3-141-407(c)(2))</i>	7
HRS Chapter 102 – Concessions	
HRS chapter 102 Concessions <i>(Reference: HRS §102-2)</i>	Notices for solicitations may be posted

- Notices shall remain posted until the submittal due date for responses.
- Vendors, contractors and service providers shall be directed to <http://hawaii.gov/spo>; click Procurement Notices.
- The procurement notices website shall consist of two components:
 - Solicitations conducted on HePS, and
 - Solicitations not conducted on HePS.

Procurement Notices for HePS Solicitations

- Effective July 1, 2010, posting of notices shall be automated and shall not be posted manually.
- Procurement notice attachment (.htm or .txt format) will not be used; information shall be automatically posted from the HePS solicitation.
- HePS Buyers shall use the HePS pre-bid or pre-proposal conference section, when applicable.
- Form SPO-020 *Statement of Attestation for Internet Posting* is not required; notice information is automated by HePS.

Procurement Notices for Solicitations NOT Conducted on HePS

- Department shall continue to post Procurement Notices using existing login/password.
- Procurement Notice attachment shall be in .htm or .txt format and contain the following:
 - Brief description of the goods, services or construction;
 - Where the solicitation is available;

- Response submittal deadline;
- Date, time and location of any pre-bid or pre-proposal conference; and
- Name, email and phone number of contact person.
- Department is responsible for reviewing and printing the procurement notice on the day of release.
- Form SPO-020 *Statement of Attestation for Internet Posting* shall be completed.

Solicitations

Requests for proposals pursuant to HRS chapter 103F shall be posted to appear on the request for proposal website on the date the solicitation is released and shall remain until the proposal due date. Amendments shall also be posted with the solicitation. Procurement notices shall also be posted on the Procurement Notices System.

Awards

POST: Within Seven (7) Days After Notice of Award Date	Dollar Threshold or Condition
HRS Chapter 103D - Hawaii Public Procurement Code (Goods, Services and Construction)	
Competitive Sealed Bids (IFB) (Reference: HRS §103D-302)	All awards
Competitive Sealed Proposal (RFP) (Reference: HRS §103D-303)	All awards
Professional Services (Reference: HRS §103D-304) (Shall be posted on Professional Services Awards posting webpage)	All awards
Small Purchase Request for Quotes (RFQ) (Reference: HRS §103D-305)	\$15,000 and above
Sole Source (Reference: HRS §103D-306)	\$2,500 and above
Emergency (Reference: HRS §103D-307)	\$2,500 and above
Exemptions from HRS chapter 103D (Reference: HRS §103D-102)	\$2,500 and above
Amendments, extensions, change orders, supplemental agreements (Reference: HAR chapter 3-125)	Whenever change affects: <ul style="list-style-type: none"> ● Contract term; or ● Funding amount
HRS Chapter 103F – Purchases of Health & Human Services	
Competitive Method of Procurement (RFP) (Reference: HRS §103F-402)	All awards
Restrictive Method of Procurement (Reference: HRS §103F-403)	All awards
Treatment Method of Procurement (Reference: HRS §103F-404)	All awards
Small Purchase Request for Quote (Reference: HRS §103F-405)	All awards
Crisis Method of Procurement (Reference: HRS §103F-406)	All awards
Exemptions from HRS chapter 103F (Reference: HRS §103F-104)	All awards
Amendments, extensions, change orders, supplemental agreements (Reference: HAR chapter 3-149)	All awards

POST: TYPE OF AWARD	
HRS Chapter 103D, Hawaii Public Procurement Code - Exemptions	Posting Code & HRS/HAR Reference
Research, reference, and educational materials including books, maps, periodicals, and pamphlets, which are published or available in print, video, audio, magnetic, or electronic form, including web-based databases.	exHAR01 Chap. 3-120 Exhibit A (1)
Services of printers, rating agencies, support facility providers, fiscal and paying agents, and registrars for the issuance and sale of the State's or counties' bonds.	exHAR02 Chap 3-120 Exhibit A (2)
Services of lecturers, speakers, trainers, facilitators and scriptwriters, when the provider possesses specialized training methods, techniques or expertise in the subject matter.	exHAR03 Chap 3-120 Exhibit A (3)
Services of legal counsel, guardian ad litem, psychiatrists, psychologists, receivers and masters when required by court order.	exHAR04 Chap 3-120 Exhibit A (4)
Insurance to include insurance broker services.	exHAR06 Chap 3-120 Exhibit A (6)
New or used items which are advantageous and available on short notice through an auction, bankruptcy, foreclosure, etc.	exHAR08 Chap 3-120 Exhibit A (8)
Food and fodder for animals.	exHAR09 Chap 3-120 Exhibit A (9)
Facility costs for conferences, meetings, and training sessions.	exHAR10 Chap 3-120 Exhibit A (10)
Advertisements in specialized publications, such as in ethnic or foreign language publications, trade publications, or professional publications.	exHAR11 Chap 3-120 Exhibit A (11)
Arbitrator and mediator services.	exHAR12 Chap 3-120 Exhibit A (12)
Interpreter services.	exHAR13 Chap 3-120 Exhibit A (13)
Procurement of repair services when dismantling is required to assess the extent of repairs.	exHAR14 Chap 3-120 Exhibit A (14)
Burial services consisting of mortuary, crematory, cemetery, and other essential services for deceased indigent persons or unclaimed corpses.	exHAR15 Chap 3-120 Exhibit A (15)
Radio and television airtime when selection of station is based on the targeted audience (i.e. ethnic or age group, gender, etc).	exHAR16 Chap 3-120 Exhibit A (16)
Subscription costs and registration or workshop fees for conferences or training.	exHAR17 Chap 3-120 Exhibit A (17)
Court reporter services.	exHAR18 Chap 3-120 Exhibit A (18)
Grants or subsidies as defined in HRS §42F-101, made by the State in accordance with standards provided by law as required by article VII, section 4, of the State Constitution; or by the counties pursuant to their respective charters or ordinances.	exHRS01 HRS §103D-102(b)(2)(A)
Disbursement of funds regardless of their source, for deposit, investment, or safekeeping, including expenses related to their deposit, investment, or safekeeping.	exHRS02 HRS §103D-102(b)(2)(F)
Disbursement of funds, regardless of their source, to governmental bodies of the State.	exHRS03 HRS §103D-102(b)(2)(G)
Procurement from a governmental body other than the University of Hawaii bookstores, from the federal government, or from another state or its political subdivision.	exHRS04 HRS §103D-102(b)(3)

POST: TYPE OF AWARD	
HRS Chapter 103D, Hawaii Public Procurement Code - Exemptions	Posting Code & HRS/HAR Reference
Meats and foodstuffs for the Kalaupapa settlement.	exHRS05 HRS §103D-102(b)(4)(D)
Services of expert witnesses for potential and actual litigation of legal matters involving the State, its agencies, and its officers and employees, including administrative quasi-judicial proceedings.	exHRS06 HRS §103D-102(b)(4)(A)
Performances, including entertainment, speeches, and cultural and artistic presentations.	exHRS07 HRS §103D-102(b)(4)(G)
Services of attorneys to provide any legal service to the State on matters arising under laws of another state or foreign country, or in an action brought in another state, federal or foreign jurisdiction, when substantially all legal services are expected to be performed outside of the State of Hawaii.	exHRS08 HRS §103D-102(b)(4)(J)
CPO approved form SPO-007 <i>Notice of and Request for Exemption from Chapter 103D, HRS.</i>	exHRS09 HRS §103D-102(b)(4)(L)
Procurements expressly exempt from any or all of the requirements of this chapter by references in state or federal law to provisions of this chapter or a section of this chapter, or references to a particular requirement of this chapter.	exHRS10 HRS §103D-102(b)(5)(A)
Award to a bidder or offeror who is a United States General Services Administration-approved sole source vendor, who shall be exempt from complying with HRS §103D-302, 103D-303, or 103D-304, as applicable, in any procurement funded by state and federal matching funds, if the bidder or offeror was responsible for obtaining and was the recipient of the federal funds.	exHRS11 HRS §103D-102(b)(6)
Awards pursuant to Act 159, SLH 2010 for Kaho'olawe Island Reserve Commission for the procurement of food or fuel products.	exHRS12 HRS §103D-102(c)(2)
HRS Chapter 103F: Health & Human Services - Exemptions	HRS/HAR Reference
Subawards and subgrants to organizations directed by the funding source.	HAR §3-141-503 (a)(1)
Grants and subsidies as those terms are defined in HRS chapter 42F.	HAR §3-141-503 (a)(A)(2)
Affiliation agreements with hospitals and other health care providers required for University of Hawaii clinical programs.	HAR §3-141-503 (a)(3)
Services of psychiatrists and psychologists in criminal and civil proceedings when required by court order or by the rules of court.	HAR §3-141-503 (a)(4)
Contracts for health & human services that are wholly or partly funded from federal sources where the source of the federal funds imposes conditions on the receipt of the federal funds that conflict with the procedures and requirements established by HRS chapter 103F and its implementing rules.	HAR §3-141-503(b)(1)
Contracts for health & human services that are wholly or partly funded from federal sources where the contract is to provide health & human services to implement a federal program that identifies a target class of beneficiaries; defines the requirements for a provider to be qualified to participate in the federal program; and has the price of the provided health & human services dictated by federal law.	HAR §3-141-503(b)(2)
Transactions between or among government agencies, including but not limited to agreements, contracts, and grants.	HRS §103F-101 (A)(2)
Transactions expressly exempt from the requirements of HRS chapter 103F.	HRS §103F-101 (A)(3)
CPO approved form SPOH-150 <i>Notice and Request for Exemption from HRS Chapter 103F.</i>	HAR §3-141-503(c)

DO NOT POST: TYPE OF AWARD	HRS/HAR Reference
Disbursement of funds to make payments to or on behalf of public officers and employees for salaries, fringe benefits, professional fees, or reimbursements.	HRS §103D-102 (b)(2)(B)
Disbursement of funds to satisfy obligations that the State is required to pay by law such as fees, permanent settlements, subsidies, or other claims, making refunds, and returning funds held by the State as trustee, custodian, or bailee.	HRS §103D-102 (b)(2)(C)
Disbursement of funds for entitlement programs established by state or federal law, such as public assistance, unemployment, and workers' compensation programs.	HRS §103D-102 (b)(2)(D)
Disbursement of funds for dues and fees of organizations of which the State or its officers and employees are members, including the National Association of Governors, the National Association of State and County Governments, and the Multi-State Tax Commission.	HRS §103D-102 (b)(2)(E)
Disbursement of funds as loans, under loan programs administered by a governmental body.	HRS §103D-102 (b)(2)(H)
Opponents for athletic contests.	HRS §103D-102 (b)(4)(E)
Utility services whose rates or prices are fixed by regulatory processes or agencies.	HRS §103D-102 (b)(4)(F)
Financing agreements under HRS chapter 37D.	HRS §103D-102 (b)(4)(I)

The following is available on the SPO website at <http://hawaii.gov/spo>, click **For State and County Procurement Personnel** and **Posting Procurement Awards, Notices and Solicitations**:

- Links to post procurement awards, notices and solicitations
- Updated versions of this Quick Reference, forms, guides, etc.

This quick reference, forms and other aids are updated as needed. Personnel delegated posting authority should check the website regularly.

Posting Questions? Contact SPO:

Goods, Services and Construction	Wendy Orita	586-0563	wendy.m.orita@hawaii.gov
Health & Human Services	Corinne Higa	587-4706	corinne.y.higa@hawaii.gov
HePS and General Questions	Mara Smith	587-4704	mara.smith@hawaii.gov