

**COMMUNITY COUNCIL ON PURCHASE OF HEALTH AND HUMAN SERVICES
MEETING**

June 19, 2009

10:00 a.m.

1151 Punchbowl Street, Room 322

Honolulu, Hawaii 96813

Members Present: Joseph Fichter
Richard Grimm
Mary Ann Navarro
Pauline Pavao
Ruthann Quitiquit
Laura Robertson

Others: Aaron Fujioka, State Procurement Office
Corinne Higa, State Procurement Office

Agenda – Item I. Call to Order

Aaron Fujioka, Administrator of the State Procurement Office (SPO), called the meeting to order at 9:08 a.m.

Agenda – Item II. Introductions

Mr. Fujioka welcomed all board members and introduced himself and Corinne Higa of the SPO.

Agenda – Item III.

Mr. Fujioka provided the members with a brief summary of SPO's function. He is the chief procurement officer for the Executive Branch of State and as administrator of the SPO, he provides guidance and assistance to the various jurisdictions of the State and Counties relating to procurements under HRS Chapters 103D, The Hawaii Public Procurement Code, and HRS Chapter 103F, Purchases of Health and Human Services.

Procurement is decentralized and programmatic decisions on what is procured and the service specifications are left with the various state and county departments. Procurement is regulated by statutes, and SPO maintains the process. SPO provides information on how purchases are done. For HRS Chapter 103F, the Community Council provides procurement guidance from a community perspective.

Agenda – Item IV

To familiarize council members with SPO and the public procurement process, Mrs. Higa did a Powerpoint overview of procurement of health and human services. Mrs. Higa talked about SPO, reviewed the statutes and rules pertaining to public procurement, and how to maneuver through the SPO website at <http://hawaii.gov/spo> for procurement notices, request for proposals, and health and human services contracts.

Mr. Fujioka explained that the Community Council on Purchases of Health and Human Services can be comprised of up to 10 members, 9 voting and one non-voting. Governor Lingle appointed 6 members to the council. It has been determined that all 6 members need to be present at each meeting to constitute quorum. Mr. Fujioka also stated that due to the State's economic downturn, council meetings will not be held on a regular basis. Council members were advised to deliberate issues to focus on, what works and does not work in public procurement from the viewpoint of providers of health and human services.

Mr. Fujioka mentioned electronic procurement as the way for all future procurements. With the Governor's signing of Senate Bill 21, expedited implementation of the procurement process for American Recovery and Reinvestment Act of 2009 funding will be done on the Hawaii e-Procurement System (HePS). E-Procurement is a process which creates transparency and accountability of purchases.

A discussion ensued about the purpose of the Community Council. Mr. Richard Grimm understood it to mean that the Community Council is involved with the procurement process only. Mary Navarro asked why it was necessary for the council to meet. Mr. Fujioka stated that the Community Council purpose is functional/operational, i.e., suggestions to revise procurement schedules, rules, databases. SPO is not involved with programmatic decisions, i.e., what and why health and human services are procured. SPO provides information on how the services are procured.

Mr. Joseph Fichter commented that the council acts as an advisory to making the process better, and that the current process is cumbersome. Mr. Fujioka said that the council could review the Hawaii e-Procurement System (HePS), Hawaii Compliance Express (HCE), Contracts Database Reporting System (CDRS), Procurement Notices System (PNS), Request for Proposals Website (RFPW) and suggest improvements.

In a discussion as to what the council could work on, Ms. Laura Robertson expressed an interest in electronic procurement. Ms. Ruthann Quitiquit stated that cost principles should be revisited to clearly state terms. In a discussion about HCE, Ms. Pavao mentioned that although State agencies should be checking and printing the compliance document, many agencies ask the providers to submit it.

Mr. Grimm stated that there are problems with contract monitoring and lack of adherence to contract terms. Mr. Fujioka said that there is a section in the administrative rules on contract monitoring; however, it is the department's responsibility to formulate and implement monitoring of contracts.

Ms. Maryann Navarro suggested that more contact with providers would be helpful. The Hawaii Alliance of Nonprofit Organizations (HANO) is a possible avenue of communications and workshop presentations. Mr. Fujioka said that the State Procurement Office already provides regular workshops on "How to do Business with the State" for vendors and providers.

Agenda – Item V

Election of Officers was postponed.

Agenda – Item VI

The next meeting is scheduled for Tuesday, September 22, 2009.

Agenda – Item VII

There being no further business, the meeting was adjourned at 11:28 a.m.

Respectfully submitted,

June 19, 2009
Date

Diana D. P. P. P.

Attachment: June 19, 2009 Agenda