

SPO 128 – Information Session on Hawaii Compliance Express (HCE)

Slide - Title Page

Aloha everyone! I'm Andrew Lum with the State Procurement Office and welcome to this morning's SPO Informational Session on Hawaii Compliance Express.

Slide – Agenda

For this morning's webinar we'll first cover What is HCE? Then we'll review the history behind HCE - what life was like before HCE and what we have now with HCE. Next, we'll talk about the process for vendor registration and renewals. Finally, we'll look at HCE from the buyer perspective and we'll get to actually walk through the HCE website.

Slide – Hawaii Compliance Express (HCE)

So, what is Hawaii Compliance Express? HCE is an electronic system that allows vendors doing business with state or county agencies to quickly and easily obtain proof that they are compliant with applicable laws. The HCE certificate, "Certificate of Vendor Compliance," is used to meet the requirements of Hawaii Revised Statutes (HRS) §103D-310(c) and Hawaii Administrative Rules (HAR) §3-122-112.

Slide – HRS 103D-310(c)

HRS §103D-310(c), states in part:

“All offerors, upon award of contract, shall comply with all laws governing entities doing business in the State...Offerors shall produce documents to the procuring officer to demonstrate compliance with this subsection...The procuring officer shall verify compliance with this subsection for all contracts awarded pursuant to sections 103D-302 (IFBs), 103D-303 (RFPs), 103D-304 (professional services), and 103D-306 (sole source), and for contracts and procurements of \$2,500 or more awarded pursuant to section 103D-305 (small purchases).”

Slide – Escape from paper

The HCE Certificate of Vendor Compliance replaces the 3 paper certificates vendors were required to submit: Tax Clearance Certificate from the Department of Taxation and the Internal Revenue Services, Certificate of Compliance from the Department of Labor and Industrial Relations, and Certificate of Good Standing from the Department of Commerce and Consumer Affairs.

SPO 128 – Information Session on Hawaii Compliance Express (HCE)

Slide – History

Act 52, SLH 2003 required offerors to produce documents to the procuring officer to demonstrate compliance.

Hawaii Compliance Express (HCE) was launched in August 2005 to assist potential contractors with verification of compliance with state laws prior to receiving contract awards.

In 2006, the State Procurement Office was awarded National Association of State Procurement Official's (NASPO's) IT Innovation Award – Gold Medal Recipient for the Hawaii Compliance Express program. The NASPO Award for Excellence is recognized as a premier achievement for innovative public procurement and recognizes ground-breaking state procurement programs. Hawaii was the only state to receive the IT Gold Medal Award that year.

Effective July 1, 2007, the State of Hawaii reduced registration fees 20% (from \$15 to \$12) for HCE.

In July 2011, Act 190 lowered the requirement to verify compliance to \$2,500 and above for small purchases.

Slide – Before HCE...

Before HCE, contractors had to drive down to the different agencies, find parking in downtown Honolulu, manually fill out paper forms for three agencies and the Internal Revenue Service, and waiting in lines to get the necessary approved paper certificates.

Agency staff had to manually process all requests.

Buyers had to contact vendors who then had to fax or mail the forms.

Slide – After HCE...

Now with HCE, vendors can apply for all three certificates through a single web-interface.

- Vendors register online for automated service - \$12 per year
- HCE system allows IRS and DLIR staff to process vendor compliance requests. DOTAX and DCCA statuses are checked instantly
- Electronic "Certificate of Vendor Compliance" shows real-time status of each agency
- State/County buyers have unlimited online access to check compliance of any registered vendor

Slide – Links

SPO 128 – Information Session on Hawaii Compliance Express (HCE)

HCE is located via the URL <http://vendors.ehawaii.gov>,

or through the SPO website <http://spo.hawaii.gov>. Click on “HCE.” In a moment, I’ll walk you through the site.

Slide – Cost

Let’s talk about cost. HCE is free for State and County agencies. Procurement personnel have unlimited access to HCE to check if their vendors are compliant and print the certificates for their use.

For vendors, the annual subscription is \$12. Registered HCE vendors receive a full year of service, automatic submission of information to pertinent government certifying agencies, automatic e-mail notification of status changes, and unlimited access by state and county government entities to print the certificate for their use.

Slide – Vendor Registration

Vendors with registration questions can contact the Hawaii Information Consortium (HIC) at 695-4620. Live chat technical support is also available.

Once the registration process is complete, it can take a newly registered vendor about 10 business days to receive their true compliant status.

Slide – Renewal Notices to Vendors

Vendors will receive an email renewal notice 30 days prior to any application expiring. Each renewal email will state which application the renewal is for. Upon receipt of any renewal notice, the vendor will need to login to their HCE account and complete the renewal.

There is no fee to process the renewals for clearances from the individual departments. Vendors will only be asked for payment if the renewal is for their annual subscription fee of \$12 to use the HCE service.

If renewals are not completed in 30 days, the status will change to “Not Compliant”.

Slide – HCE for State & County Agencies

SPO 128 – Information Session on Hawaii Compliance Express (HCE)

Here we see the HCE homepage. Live Chat Technical Support is a click away if you have questions about the HCE system itself, or if your vendor has registration questions. If there are procurement related questions, please call the State Procurement Office.

To create an account, click the “Create an Account” link.

Slide – Registering as a Buyer for HCE

It is your responsibility to obtain any necessary approvals from your department/division/agency before requesting access to the HCE. To request access to the HCE, go to "[Create an Account](#)."

Once your account has been created, send an e-mail to hce@ehawaii.gov with the following information: 1) full name, 2) department, 3) government issued email address, 4) reason you need HCE access. A confirmation e-mail will be sent back to you when access has been approved or denied.

Slide – HCE Website

If you or your vendor ever forgets their password, there is a “Forgot Password?” link on the HCE homepage. Just enter your email address and click the “Retrieve Password” button below. You will receive an email with instructions to access your account.

I’d also like to point out the FAQ link for frequently asked questions. This page is a good resource, especially for vendor frequently asked questions.

Now’s let see how we can check if a vendor is compliant. First, login using your government issued email address and your password. Make sure to choose “Buyer Module”. Note: there are several ways in which you may search for a vendor including by Entity Name (legal name), by DBA/Trade Name, or by FEIN number.

Here we see an example of a compliant vendor and here is their Certificate of Vendor Compliance. As you can see they are compliant with all four departments, so their overall status is “Complaint”.

Here we see an example of a non-compliant vendor. Because they are not compliant with the IRS, their overall status is “Not Compliant”. This particular vendor is exempt from the DCCA. If you’re curious about what the different statuses mean, below is the status legend. For example,

- Exempt means the company is exempt from this requirement.
- Compliant means the entity is compliant with this requirement or the entity is in agreement with the agency and actively working towards compliance.
- Pending means the entity is complaint with the DLIR requirement.
- Submitted means the entity has applied for the certificate but is awaiting approval.

SPO 128 – Information Session on Hawaii Compliance Express (HCE)

- Not Compliant means the entity is not in compliance with the requirement and should contact the issuing agency for more information.

Here we see an example of a vendor, whose HCE subscription has expired. If you try to click to view their certificate of vendor compliance, you'll get a message that says, "The company's subscription to Hawaii Compliance Express has expired. No other information available."

Slide – Compliance Status

If the overall status is compliant, you may print the certificate of vendor compliance for the procurement file. Note: it may show as exempt or pending at the department level.

If the status is expired, the agency cannot access the Certificate of Vendor Compliance. The vendor needs to login to their HCE account and renew their HCE \$12 subscription.

If the vendor has completed all renewals required by the HCE and are still showing as not compliant, the vendor must contact the respective department to resolve the issue(s). Department contact information can be found under the "Contact Information" link on the HCE website. Once the issue is resolved, the updated status should be reflected on the Certificate of Vendor Compliance within 24 hours.

Slide – Contact Information

Here is a screenshot of the "Contact Information" information page on HCE.

Slide – Top Three Take-Away's

1. If the vendor has completed all renewals required by the HCE and are still showing as not compliant, the vendor must contact the respective department to resolve the issue(s).
2. Buyer access requires two steps. First, you must create an account in HCE. Then you must email hce@ehawaii.gov and include the reason you need HCE access.
3. Advise vendors to register in HCE early, if they haven't already done so. This will help avoid delays in awarding. Remember, it can take a newly registered vendor about 10 business days to receive their true compliant status.

Slide – Questions?

SPO 128 – Information Session on Hawaii Compliance Express (HCE)

This concludes today's informational session. Thank you for attending the HCE informational session. Feel free to contact me with any further questions on HCE. Aloha!