

SPO 190 – SPO Price and Vendor List Contracts and Cooperative Purchasing

Good morning, thank you for joining today's presentation. Titled "SPO price and vendor list contracts and cooperative contracts." My name is Stan Mato with the state procurement office. I am your presenter today. Along with me, my assistants are Carey Ann Sasaki and Ronnie Correa. Today's training is covered by HRS 103D, HAR chapter 3-128, named governmental relations and cooperative purchasing.

Today's topics are: Procurement Definitions, Cooperative Purchasing and Purchasing Agreements, the SPO Price and Vendor List Contract, the Form SPO-005, which is the request for purchase exception from SPO price and vendor list contract, Form-012: the vendor of product evaluation form, the WSCA-NASPO, which stands for Western State Contracting Alliance-National Association State Procurement Officials. We also will show a short video on this webinar explaining why WSCA-NASPO is such a good purchasing tool. We also will show you how to navigate SPO price and vendor list website. We also will include the premium savings package, which is offered through the WSCA computer equipment contract number 10-01. Our first poll question. First poll question is "where is your office located? On which island?" If you're on Oahu, you press Oahu, Maui, Hawaii, Kauai, Molokai, or Lanai. Just want to take our survey to find out where our audience participates, and the last time we had Molokai and Lanai but I don't see any yet. But we do have in Kauai and majority from Oahu. We had one Lanai. We have got about three quarters of participants from Oahu and rest from the neighbor island. Second poll question. Did you take this webinar? Is this your first time taking this course? If yes. If you haven't take it before, press no. Well looks like the majority are taking course for the first time. And I appreciate you spending your valuable time taking this course to learn more about price and vendor list contracts and the cooperative agreement. We have about 80 percent yes and we have some people taking the course and again, that's good. Nothing wrong with taking the course again with update. Thank you.

We're going to go over with some procurement definitions covered under HRS section 103D-801. Cooperative purchasing is when two or more entities combine their purchasing requirements to qualify for volume prices count and operation or administrative saving. I'll give you an example of cooperative purchasing by the state procurement office. On behalf of the executive department, we issue a solicitation for gas credit services for the islands of Oahu, Maui, and Hawaii. All twenty CPOs from all the other jurisdictions have signed a cooperative agreement with the state procurement office CPO and as a result the SPO issued a price list contract numbered 13-14 for gas credit services for aloha petroleum on Oahu, Maui petroleum on Maui, Hawaii petroleum on the big island including Kona and Hilo. We also did a separate solicitation for the island of Kauai and that's pricelist contract numbered 11-05 with KASN service. External procurement unit is a government entity outside of the State of Hawaii. For example, external procurement would be the State of Minnesota, which is the state who took the lead to solicit computer equipment peripheral related services under the WSCA-NASPO cooperative purchasing organization. A local public procurement unit means any county of the State or public agency, such as the DOT, Department of Health, the county of Maui, DOE, and etc.

Continuing in definitions a nonprofit private procurement unit is a nonprofit health or human service organization, such as goodwill industries and Lanakila pacific public. A procurement unit is either local public procurement unit or state public procurement unit. And the state procurement unit will be state procurement office.

Our next slide is regarding cooperative agreements governing statues covered by HRS section 103D-802. Basically this statue states that the public procurement unit may participate, sponsor, conduct, or

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administer a cooperative agreement with the other procurement units pursuant to the rules adopted by the procurement policy board and an agreement entered into between participating procurement units.

Cooperative purchasing may also include, but not limited to joint or multi-party contracts. Cooperative purchasing agreements may also be exempt from preferences pursuant to part X HRS chapter 103D. On July 19 2012, our chief procurement officer, Aaron Fujioka, had issued a memorandum of agreement for cooperative purchasing. The MOA was signed by the CPO of the executive department for each jurisdiction CPO. This agreement will allow all jurisdictions to participate for future SPO price and vendor list contracts that are not mandatory. If the contract is going to be mandatory then cooperative purchasing agreement needs to be signed by the department head or chief procurement officers.

The next slide is cooperative agreements governing authority - admin rules HAR section 3-128. Cooperative agreements requires prior written approval by the chief procurement officer, must be in compliance with chapter 103D except when the solicitation is offered by external procurement unit, such as the WSCA-NASPO organization. Then the external unit, such as WSCA-NASPO does a solicitation if the State of Hawaii participates, the State of Hawaii shall be participating entity in the WSCA-NASPO solicitation and a public notice shall be posted within the State of Hawaii. As a reminder, agencies shall not entered into or piggyback on any existing cooperative agreement.

There are several procurement circulars. One is the circular 2006-09 on cooperative purchasing compliance requirements. It states that all cooperative purchasing agreement shall be in compliance with the requirements of the chapter 103D. And each CPO's written approval is required prior to allowing agencies to participate and use any cooperative purchasing agreements. Regarding procurement sector 2009-10, on governmental relations and cooperative purchasing. Examples of cooperative purchasing is the WSCA-NASPO contracts whether the state procurement office coordinates these contracts with the lead state and enters into an cooperative agreement, ensuring compliance with HRS chapter 103D and its rules. Again a reminder, agencies just can't piggyback onto an existing contract. I'll give an example, there's contract issued by USA communities organization and general service administrations, known as the GSA. These contracts have not been conducted in compliance with the HRS chapter 103D and therefore, these contracts shall not be utilized. So basically, if you get a phone call and the vendor says "I can offer you GSA pricing" that pricing may not be honored by your agency as long as HRS chapter 103D in procurement office rules apply to purchases using the applicable procurement method and procedures. So what that basically means is you can't just say "they gave me GSA prices for \$100 and I'm going to buy it and that's it." Chapter 103D applies you can accept their pricing only if 103D applies. So if it's a small purchase, competitive seal bid, make sure you get the required quotes but it doesn't automatically give you a free ride, just to get that quote and buy it. We're going to move onto the next poll question number 3. And the question is "in the State of Hawaii, cooperative purchasing agreements are signed by the chief procurement officer of the executive branch and who within other jurisdictions?" Four choices: 1) executive director, 2) chief procurement officer, 3) business manager, and 4) chief of staff. Again, the State of Hawaii's cooperative purchasing agreements are signed by the UCPO of the executive branch and what other jurisdiction title? Executive director, CPO, business manager, or chief staff? Great, the majority is CPO. And if you selected CPO, that is the correct answer. For those who have not selected that just make sure that the department head is the

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CPO so if he's with DOE, that person would be the department head would be the CPO to sign the cooperative agreement. Thank you for that poll.

These are variation of the cooperative purchasing agreements. We got on one side called the Lead and other side is called Participating. That basically means who is going to be taking the lead to do the solicitation. The right side is the participating jurisdiction, who is going to be participating in this solicitation. The majority of our state procurement office price list and vendor list contracts falls under the first two. For example, the first one says lead external procurement unit (WSCA-NASPO), participating is SPO. For that example, again, I'd like to use the computer equipment, the State of Minnesota took the lead, so they would be on the left side. And what they have done is they sent invitation to all 50 states, asking who wants to do an intent to participate. And definitely, Hawaii is one of them. They would sign an intent to participate. They will be on the right side, which is the participating side. Once the RFP goes out, and all 50 states participate, they will listed on that RFP. Once it's awarded, I believe the current contract had about 22 awarded contractors. I think we've got 17-18 contractors that signed the participating agreement. So after they're awarded, a master agreement is signed between the lead State of Minnesota and each contractor. Let's say the contractor is Apple, IBM, CTL, Lenovo. Those master agreements are posted on the website. I will download that master agreement and then State of Hawaii, the state procurement office, would sign a participating addendum with each contractor and if signed by the contractor and the state procurement office, we will issue a price or vendor list contract. In this case, vendor list contract 10-01 or computer equipment peripherals related services. Looking at the second line, the lead was SPO (on behalf of executive department) and the right side was CPO jurisdictions. I gave an earlier example, the SPO did a solicitation on gas credit card services. The State procurement office was the lead. Cooperative agreements were signed between each jurisdiction who wanted to participate and all twenty participated and we had issued the gas credit card price lists contract numbered 13-14 for Oahu, Maui, and Hawaii. The other five I won't go over. Basically, if you're on executive department or not executive department, you can take the lead. Again, who would be participating with you, make sure the CPA is signed upon. The MOA is only enforced if the state procurement office is the lead.

For the next slide, we've discussed WSCA-NASPO. We do have two purchasing alliances. One is called the MCPA, which is the Multi-State Corrections Procurement Alliance. We do have a price list contracts for inmate kiosks. Prisoners too, need to manage their money. It's like going to a banking machine, ATM, and they can deposit and withdraw money. That's what that contract is for. We have another alliance for MMCAP, which stands for Minnesota Multi-State Contracting Alliance for Pharmacy. And that's basically for pharmaceutical distribution vendors. So, I think probably the Department of Health utilizes the contract.

Our next slide, cooperative purchasing form SPO-037. This is the form that department heads or CPOs would be signing regarding cooperative purchasing agreements. The form SPO-037. You need to contact our office for a copy. The cooperative purchasing agreements is completed on the form 0-37 and is pursuant to the HRS 3-128. There's a sample of an executed form 037, which you can download from the training site, if you downloaded the PowerPoint presentation, there's another option you can download that sample. You can take a look at it. If you have any questions, you can contact my office.

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What are the important components of form 037? Well, number one, you're going to describe the purpose. Effective dates, is it for a year? Six months? Does options toward extensions? The other one is are you a covering auto parts? Computer equipment? Maintenance? You need to describe the goods or services being procured. Is this contract mandatory or optional? You can have either mandatory or optional. If you have optional, it's permissive, mandatory is required. So you need to type that on the line 4. Term of contract is a replicate of what is stated on line 2. Point of contact if you have questions, who do I call? Phone number, email address and etc. The most important part again, approved signatures. Again, department head or CPO signs the CPA.

Okay, our next slide is regarding, NASPO WSCA NASPO purchasing organization. We need a poll question before we start on this. Poll question number four, yes or no answer. Have you purchased products or services, utilizing the WSCA NASPO contract? Remember now, if you didn't take this course, make sure you don't answer yes, because you're not supposed to be utilizing the contract if you haven't been trained on this webinar. So, we have 80 to 90 percent. That looks just about right because we were opposite on who took this course or not. So, we really got a good audience here that's following the rules. Okay good, so basically about 80 to 90 percent have not utilized the contract because you haven't taken this course. So hopefully you learn more about the WSCA NASPO. Prior to the end of this webinar, we're going to show you a short video. We're not going to show it right now. But basically, what is WSCA NASPO? WSCA stands for Western State Contracting Alliance. NASPO stands for National Association of State Procurement Officials I believe, sometime in the beginning of 2013 WSCA NASPO combined and formed the WSCA NASPO LLC to manage the national cooperative purchase program. How huge is this? It involves the 50 states, District of Columbia, five organized territories. So you can imagine, if you go out to bid, for a spark plug for 50 states, that's a lot of spark plugs that we buy for our vehicles. So that's how powerful this organization is. And one other thing is, NASPO WSCA contract, when awarded to contract is we need to ensure that the contractors are in compliance with HRS chapter 103D and the rules. That's stated in our participating agendum that they have to agree to. If they don't agree to it we will not have them sign our PA and they can't participate.

Our next slide, all authorized governmental entities in any state may use the WSCA-NASPO cooperative contracts with the approval of the CPO. So, the WSCA-NASPO is going to work through the state procurement office in regards to issuing price lists and vendor lists contracts. Your organization or your department can't work with WSCA NASPO. It's already been set up that it's going to be working directly with the state procurement office. For more information, you can go to the website, which is shown on the slide.

This is an example of a listing of WSCA NASPO contracts that we have available for participating jurisdictions to utilize. You can go over with them. Hopefully you're able to use one or more of those contracts. And if it's advantageous for your agency to utilize it, then I highly recommend that you utilize it. Just to give an example, we've got a report back in 2010 the WSCA NASPO had contract sales about 6 billion and grew to 7 billion in 2011. 8 billion in 2012. An example, for State of Hawaii fiscal year in 2013, one of our largest contracts, such as computer equipment we have filled of 30 million we have procured 30 million of computer equipment utilizing WSCA-NASPO, and about 18 million of computer software contract.

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SPO price and vendor list contracts. Who can issue price and vendor list contracts? Pursuant to HAR section 3-121-6, only CPO's can issue price lists. Departments may issue requirements contracts. Which jurisdiction may use price and vendor list contracts? Only the jurisdictions which the CPO has signed a cooperative purchasing agreement or MOA, memorandum of agreement. What is the difference between mandatory or permissive contract? As I stated before, mandatory is required. You are required to utilize this contract if you are a participating entity. Permissive is optional. It's not mandatory. So if it's advantageous to utilize it, you may. If you don't use it, chapter 103D applies along with applicable procurement method and rules apply. What's the difference between a price list and vendor list contract? They're almost the same except that price list contract already have prices, such as I have a WSCA auto parts. Spark plugs are a dollar each whether you buy them in California or in Hawaii. Those are price list contracts. Vendor list contracts are more like the computer equipment where you have to submit your specifications the vendor list contracts is pre-approve authorize contractors on that list that you can obtain price quotes from. There's no set pricing because the pricing depends on your specifications. So, that's basically the difference for price list and vendor list contracts. We use PL for price list and VL for vendor list contracts.

What's the benefits? Why should I use these price list contracts? Well, the benefits are products for services are already competitively bid. It's done for you. The vendors are qualified. Must meet the standard specifications for the goods or services. Also before being awarded a contract, the contractor must be HCE complaint pursuant to chapter 103D 310(c). State procurement office always try to do our best and also monitor the compliance throughout the contract term. Those are the advantages. I know there's the advantages that I have not written on here is when you have problems that are now get at the vendors evaluation. Vendors don't comply with the contract terms and conditions. You run into problems and you can't solve the problem whatever it is, you can contact the state procurement office, we can hopefully resolve through the form 12, which I will explain shortly. Let's do another poll question here. Poll question number five, who is responsible to check vendor compliance status in Hawaii compliance express for Price and vendor list contracts. So who is going to be responsible? Check for complaints requesting agency, the secretary, state procurement office, business manager, or supervisor. Remember now these are for price and vendor list contracts issued by the State Procurement Office, who is going to be responsible for checking for vendor compliance okay, majority has the correct answer: State Procurement Office. At times, if they are not compliant please notify the State Procurement Office who manages the contract. I always get phone calls because HCE is live. It can be compliant today and not compliant to next dollar. A lot of times, agencies will call and ask "Hey Stan, this is a heads up XYZ Corporation is not compliant." Just a simple email, phone call, message would greatly help and we will take actions on our end to notify the contractors and they must take action in terms of compliance. My experience they don't return to compliance, we remove them from the price and vendor list contracts. They don't take it seriously, we do. So it's very important that the contractor is complying in HCE.

Okay our next slide is what is the form 5 - Price/vendor list contract purchase exception. This form is used when the price/vendor list contract issued by the State Procurement Office is mandatory or required. If agency has a legitimate justifiable reason why this contract is not advantageous to be utilized form five is completed. It's approved by the procurement officer with delegated authority to prove the form 5. Form is not sent to the State Procurement Office for approval. Please keep the form

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within your department and whether it's approved or disapproved form shall be kept with the agencies procurement contract file. Examples of mandatory contracts on our list, we have the price list 1-15 letterhead envelopes and business cards. Price list 1-21 for padded standard forms, 10-06 for newspaper publication. Price list 12-14, commercial car rental services. Understand that all approvals must be obtained prior to the purchase. If the purchases are made after the fact without approval it shall be processed as a procurement violation and submitted to the State Procurement Office on form SPO-016.

Okay move to the next, Form 12. Form 12 is called the vendor and product evaluation form. In a perfect world, you set up a contract, for a widget. You order the widget, the widget comes to you on time and use the widget for your operational needs. However, there are times that widget might not meet your specification requirements. Example, you buy a ream of paper. Paper arrived at your destination and it's a soiled, it's damaged or whatever. It can be equipment or office equipment anything that does not meet the specification. What is the first thing you're going to do? Contact the vendor. Hey I bought this widget from you and it's not up to our specifications. It's damaged. Can we have a refund or can we have a replacement? Vendor says, no problem we will take care of it. Great. Sometimes the vendors will play hardball I don't like getting that much customers. I'm not going to even bother to help him out. You call or email him. No action taken. Try to settle it with them, if you can't settle it with them, if no action is taken, then form five is completed for product evaluation. Give us the whole story, we have to take action and will contact the vendor. Hopefully they will get or replace or refund your product. So that form 12 will be submitted to the State Procurement Office.

The other one is the vendor. So you bought the widget from the vendor he doesn't call you back. Where is my widget? I bought it. They issued the PO and I ordered it last week. No response. Two weeks goes by, nothing happens. Last resort, hopefully it can be resolved. If it can't be resolved fill out the form 12, vendor evaluation submit it to the State Procurement Office. We will take action and contact the vendor whether they respond or not, hopefully they do and we have a happy ending. If not, they come off the list. And if they're WSCA NASPO contract, I will report it to the lead state, and that may jeopardize their contracts for all 50 states. I don't think they want to risk one widget to risk all their business with all 50 states. Anyway, okay so that's vendor and product evaluation form 12. Poll question number six, Which SPO form is used to evaluate a vendor's product or service? We have several choices. Form 5 which is the purchase exception form, form 12 vendor product evaluation, form 10 record of procurement, or form 16 procurement violation. Again, which form is used for vendor list products or services for evaluation. The correct answer is form 12. Everyone answered that. Very good, thank you.

Okay as I stated earlier, we're going to do a WSCA NASPO video, it's about 5 minutes long. We were in practice session. It was very difficult to hear so, try to turn your volume up and listen to these two new employees hired by the government about procurement. Hope you enjoy this short video, I will come back on live when the video ends.

Hello, Christine. I just hired couple of new people and wondered if you could take some time to talk to them as the state purchasing agent about state procurement rule. What do you think state procurement is all about? Well, I think it's about buyers using all these sophisticated tools available to discover the internet. It's about getting the very best price. What is this? More requisitions. Okay I will take care of it. That's what it's about to me. Best value includes other important factors not just price, such as quality, delivery, service, warranty and even past performance. Yes, as a matter of fact, we can. We work

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together to developed a master contract that leverages our collective buying power and collective brain power. First thing we do is demand profiling. What's demand profiling? Demand profiling is when we look at historical purchasing information to figure out who's buying what, where they're buying it from, when they're buying it, how much they paid for it, and how much they're buying. We've found that the goods and services that we buy most often are best candidates for master contracts. Make sense, so what then? Procurement professionals are pretty savvy and have an influence on the market place. With all the information on demand profiling in hand, the next thing we do is needs of assessments. This helps us make sure we're going after the right goods and services. We also look for opportunities to standardize rather than buying a variety of similar goods. This helps us leverage our collective buying power. Ultimately, reduces the overall number of goods that require additional training, support, and repair. What about communicating with vendors? That's really important to us. We sponsor vendor forums often so we can learn as much as possible about the commodity and about the merchants so we can better understand how the supply chain works to get the best possible value. All this collaboration, all the little things we do, such as thorough legal review and a lot of very detailed research helps put the state in the best position to stimulate competition and to get the best possible value. We do a price analysis to see what we should be paying for commodity or service and then we negotiate the best possible prices and other efficiencies to make sure the contract and supplier partnership works for everybody. Actually, for some goods and services, we can. We can actually improve our savings by taking collective buying power to the next level. Other states purchase many of the same things that we buy, which is why we're a member of Western States Contracting Alliance or as we refer to it as WSCA. This multi-state partnership lets us do everything that I just talked about but at a much larger scale. Last year, these WSCA contracts had sales of more than \$3.5 billion dollars. Give me a little time and a speedy connection and I bet I can beat some of those prices on the internet. Maybe. But there are few things that you should consider first like are you getting same quality products? The same service? Same warranty? Same delivery? Same return policy? The same insurance? And all the other terms and conditions? So ask yourself, if it's such a good deal, why didn't the supplier win the contract in the first place? And consider this, buying outside the contract will reduce our collective buying power and it could compromise our partnerships with suppliers. And finally, just think about how much it's costing the state if a lot of people spend their time shopping for a better deal, when highly trained purchasing professionals have already done it for you I suppose you're right, besides I need a credit card and I really doubt that the state would trust the buyer of the credit card anyway. Well, actually WSCA offers purchasing card or pCard program that offers really good savings and efficiencies. What do you mean? Well it's a lot of work whenever the state processes an invoice so rather than cutting a check every merchant we do business with, it's much more efficient to issue a monthly payment to our pCard provider. Especially for dollar purchases. Also the pCard gives us the really detailed purchasing information, which helps us identify other contracting opportunities. But how do you protect against unauthorized purchases? Well, we can tailor limitations and constraints per any card holder depending on how they use the card. Plus our pCard provider has sophisticated tools to monitor the use of card, right down to the item purchases. If someone abuses the pCard, they can be held personally liable and even lose their job. This has been great information. So as your customers, how can we help? The best way to help is keep the lines of communication open. We really need to hear from you and especially want to know how our contractors are performing. What we learn from our customers like you helps us manage our contractors and it helps us continue to give you the goods and services you need at the best

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value. I think this all sounds great, are there any final thoughts you can offer us? Well, as an important customer just know that we work really hard to produce contracts that best meet our customers' needs and achieve the best possible value. By using state contracts and the WSCA contracts, we're strengthening collecting buying power both today and well into the future.

Okay that is the short video, I hope you learned something about the WSCA NASPO. Why is it advantageous to utilize it. So moving on, I want to just do some questions. We have several questions that I would like to respond to, so one is a what is widget? Widget is a term used in procurement, it can be a product, it could be an oil filter, or cleaner. It's just a name. So that's what a widget is. Those are the examples. The other one is what is defined as piggyback? So, I'll give you an example. I think I said earlier, unless this organization had signed a cooperative agreement with the State of Hawaii to ensure that they're in compliance with chapter 103D, there is no alliance or contract we have, in this case it was U.S. communities or GSA. General Service Administration. Unless if it's issued out of this office and anyone gives you a call and says, "Hi I'll give you GSA pricing," well, what I'm saying is we don't have an agreement with GSA. You can accept their price quote and follow the 103D procurement policy procedures and procurement but we don't recognize them as an alliance. So that's what is called piggy. You can't just go and piggyback because you may be telling other agencies I got a great deal from GSA just get a quote and we can buy anything we want from them at cheap pricing. That is not allowed and authorized. If you have further questions regarding piggybacking please contact my office. Good, we're going to go over a contract. There is a question that says, how can you tell if it's optional or mandatory? I will explain to you when it comes up. I'm going to go over a sample price list and vendor list contracts.

Okay, so we're going to continue navigate the WSCA NASPO website. The website you can go to: www.aboutwsca.org and we're going to go to the home page. I just want to show you a listing of where their contracts are offered to the State of Hawaii. So we click on current contracts. It will show a listing of the contracts. For example, you start from the very beginning. Auto parts - we have a contract a contract for auto parts. The AED Defibrillators and etc. These are all the contracts. But the one that I want to look at and I always again spoke about computer equipment peripherals and related services. So let's just click on that. So here we are. The WSCA NASPO MN stands for Minnesota, the lead state. Sue Calber a nice lady. She's very busy right because this contract is going to expire sometime in 2014. Again, the lead state thank you for them. They're doing a RFP for computer equipment. Hopefully the new awards would come out and master agreements would be signed and participating addendums would be signed and we will probably come up with new price list contract. In the end. So if you look at the inception and expiration the order back came in September 2009. Expiration 31st of August, and options extensions were all utilized. I want to share with you the premium savings program. Here are all the awarded contractors. We don't have a contract with each one but this is the majority of them. Then we go to premium savings packaging. I'm just going to take a little time on this and give you an explanation on what this basically is. Basically this premium savings package is we have a team that solicits selective computer equipment with selective specifications and to obtain the best pricing from contractors that are listed above that participate with better pricing than what's offered through the normal channels of WSCA. What I'm saying is that if you wanted to buy a desktop, whether you buy one unit or a million units. It's the rock bottom price. That's the great advantage of this offer of premium savings. Pricing so for the standard, Desktop, the lowest cost is 619. So let's say you were very much interested in utilizing this contract all you need is one price quote. You don't need two or three price quote. Let's say you

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want to go to lowest or highest or whatever it is. All you need is one price quote justified in form 10 contact Lenovo, HP, grace global or CTL, get that price quote in writing make sure the price is the same. If it's not the same, let me know and you're on your way to procuring whether it's one or a million units. Just scroll down to desktops the next category is laptop the next category is tablets. So at your spare time, don't be afraid and go to premium savings and do your searches there, if any of those computers meet your specifications, one quote is only needed.

Okay. We want to go to the SPO website. We're running on 60 minutes so I will try to rush through this. Basically here's the website just go to the right and it's going to show the forms. These are forms that we have discussed earlier click on the form for state and county personnel. Form 5 purchase exception, that form is processed through your department and not sent to SPO for approval and then we can go to form 12. Back out of that. Form 12 Evaluation for vendor. Remember this is where either vendor gives a problem or the product is not up to the expectations or to the specifications. Work it out with your vendor. Last resort, fill out the form and submit it to State Procurement Office for action. There was a question, what is mandatory and optional? So what we're going to do is we're going to go back and show you the price and vendor list contract. Go to the home page and under the home page, price and vendor list contract on the drop down box, click 100 and you can just scroll down. If you want to download or view any of these contracts, make sure you just click on the left side and in this case we're going to click 10-01 and this is the contract 10-01 computer equipment and peripheral related services. So if you look at the top, these are the participating jurisdiction you can utilize with contract. If you scroll down, go down to the next page. For all WSCA NASPO contract, it kind of gives you an info on what this basically is. Go to the next page. Again, participating jurisdiction. Now it says right there, participating jurisdiction list below have signed a cooperative agreement with SPO and authorized and utilized vendor list contract. And you read below that the participating jurisdictions are not required but may purchase from this vendor list contract. So basically what this state is this is a not mandatory, permissive, optional, and you may use it or you may not use it. We're going to get out of this one here. We're going to go to 10-06 for publication for public notices and that price list contract is mandatory and I'll show you where it says mandatory. 10-06 for newspaper publication. So you see it's pretty much the same. This is not a WSCA contract. This contract was issued by the SPO. We were the lead. We did the solicitation on behalf of the Comptroller because this is the statute. As you scroll down to the next page. Before that, I just want to make sure that on this one here contract has started January 1st 2011 to June 30th 2015. Participation jurisdictions, in the middle, listed below are required to utilize this price list contract and place their notices and ads in the primary newspaper for each island. So if it's required which means mandatory, it's not optional. As I stated before, for whatever reason you can't utilize this contract you have to fill out the form 5 which is an exception and that is explained in the next paragraph. Exception to the price list contract. An exception may be granted when the price list contract does not meet the purchasing agency needs. For this purpose executive branch department heads are granted authority to make exception approval. The form 5 is signed and stays within the department procurement contract file. What do you do if you're not going to utilize and need a public notice? The next paragraph says when the price list contract is not used, HRS chapter 103D procurement rules apply. So you have to use small purchase, competitive sealed bid, etc. You have to use a procurement method to procure your public notice. Let's quickly go down. As an example, these are your point of contacts If you have a question you go to them and if they can't answer, you probably department. Scroll down. These are the awarded contractors. So basically this is just one example of price list and vendor list

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contract. Each contract is different. It has its own personality, different instructions, and number of quotes. It doesn't mean that if you buy one spark plug, you can buy one can of paint you have to go to each price list contract and read. If you don't understand it, please contact the purchasing specialist that manages that contract for any questions you may have.

We're going to move to the last page. On the last page we have contact information. I'm Stanton Mato. Wendy Ebisui, Bonnie Kahakui, and Stacey Kauleinamoku. Reminders always use the most current price of vendor list contract available on the SPO website. So what you have on your file may not be current. Make sure you check the website because changes always happen. So you want to make sure you get the most current contract that is available with the most current instructions on how to utilize the price and vendor list contract. Number 2, read the contract in its entirety. Again, no two contracts are alike. They have different procedures, different number of requirements on price quotes, make sure you contract the authorized vendors listed in the contract. I get phone calls and say hey Stan I want to buy computer and I call another vendor to get a price quote. Can I utilize that price quote? The answer is no. Once you leave and start going outside of what the contract instructions are. Then you are not utilizing the contract properly. After this webinar, please complete the question survey at the end of the training session. If I have not answered your question, can you please forward it to me at my email address and I'll be glad to respond to your question. This concludes our webinar for price and vendor list contracts cooperative agreement I hope you have learned about utilizing our contract.