

# Hawaii Products Preference

HRS § 103D - 1002  
HAR 3-124, Subchapter 1



## AGENDA

- ▶ What is a Procurement Preference
- ▶ What is Hawaii Products Preference (HPP)
- ▶ How to process a SPO-038 form
- ▶ How to verify a SPO-038 form cost breakdown



## What is a Preference?

Contractor Proposal A



Contractor Proposal B



For  
Evaluation  
Purposes  
only!

## Hawaii Products: What is HRS §103D-1001

- ▶ Products must meet the definition of “Hawaii Products,” which means that the products that are mined, excavated, produced, manufactured, raised, or grown in the State and where the cost of the Hawaii input towards the product exceeds fifty percent of the total cost of the product for Class I and Class II.



Summary:  
There are 2 classes: Class I and Class II

### Class I Examples:



Class I =  
10%



### Class II Examples:



Class II =  
15%



## What is Hawaii Input?

- ▶ Hawaii input is all the local costs,
- ▶ Includes costs such as:
  - ▶ The cost of labor,
  - ▶ Variable overhead costs
  - ▶ Fixed overhead costs



## How to Process an SPO-038 form

Form SPO-038

1<sup>st</sup> Way :  
Submitted During  
Solicitation

2<sup>nd</sup> Way:  
Submitted to SPO



## How to Process a SPO-038 form

Step 1. make sure Total > 50%

12	Definition: "Hawaii Input" is the part of the product cost attributable to production, manufacturing, or other expenses arising within the state of Hawaii. Fill in every line in column s A, B, & C
a	Cost to mine, excavate, produce, manufacture, raise, or grow the materials in the state of Hawaii.
b	The added value of that portion of the cost of imported materials incurred after landing in the state of Hawaii, including but not limited to other articles, materials, and supplies, added to the imported materials.
c	Cost of labor, variable overhead, utilities, and services, incurred in the production and manufacturing of materials or products in the state of Hawaii
d	Fixed overhead cost and amortization or depreciation cost, if any, for buildings, tools, and equipment situated and located in the state of Hawaii used in the production or manufacturing of a product.
e	Totals
13. Percent of Hawaii Input <u>72 %</u> 12e. Column A Total + Column C Total	



## How to Process a SPO-038 form

Step 2. Verify the SPO-038 form is signed and dated by the Authorized Representative of the company

14. Failure to adequately verify, deliver, or supply Hawaii products. A procurement officer who has awarded a contract finds the contractor has failed to comply with HRS §103D-1002, Hawaii products, this contract shall be cancelled and the findings shall be referred for debarment or suspension proceedings under HRS §103D-702. Any purchase made or any contract awarded or executed in violation of this section shall be void and no payment shall be made by any purchasing agency. If debarred, the person or company shall be prohibited from bidding on any state or county government solicitations for up to three (3) years.

Should the procurement officer receiving a protest challenging the validity of the classification of a Hawaii product request an audit of the information of the proper classification of the product as defined under HRS §103D-1002, the cost of the audit shall be paid for by the requester.

In the event of any change that materially alters the offeror's ability to supply the certified Hawaii products, the offeror shall notify in writing the procurement officer within five (5) working days of knowing of the change and the parties shall enter into discussions for the purposes of revising the contract or terminating the contract for convenience.

Information submitted is CONFIDENTIAL or PROPRIETARY DATA, and the procurement officer shall not disclose this form, pursuant to HRS §92F-13(3) on government records; exception's to general rule.

*I certify, under penalties set forth in HRS §103D-1002, on Hawaii products, that the information provided herein has been examined by me and to the best of my knowledge and belief is true, correct, complete, and made in good faith pursuant to HRS §103D-1002.*

Signature of Authorized Representative: \_\_\_\_\_

Date: 09/22/2016





# LET'S SEE WHAT WE LEARNED.... ....TIME TO PROCESS A SPO-038 FORM

STATE OF HAWAII  
 STATE PROCUREMENT OFFICE  
 CERTIFICATION FOR HAWAII PRODUCT PREFERENCE

1. Legal Name of the company whose product is mined, excavated, produced, manufactured, raised or grown in the state of Hawaii: \_\_\_\_\_  
 2. Other: \_\_\_\_\_  
 3. Hawaii General Excise Tax Number: \_\_\_\_\_

4. Address: \_\_\_\_\_  
 5. Street Address: \_\_\_\_\_

6. Contact Person: \_\_\_\_\_  
 7. Phone: \_\_\_\_\_

8. Quantity and precise details of the product for which preference is claimed (in 100s, unless 1/2 gallon, 1 gallon, four (4) to a case etc.): \_\_\_\_\_

9. Quality standards met by product (in California 909 Standards, ASTM/AWS/ISO/ASMA, etc.): \_\_\_\_\_

10. Product available on:  Online  Near  Home  Local  Near  Hawaii

11. Product is certified as agricultural, aquacultural, horticultural, silvicultural, or livestock product raised, grown, or harvested in the state of Hawaii:  
 Yes or  No

12. Cost breakdown (see instructions for details)	A	B	C
	Need Input	Non-Need Input	Total A + B
12 a) Cost to mine, excavate, produce, manufacture, raise or grow the materials in the state of Hawaii	\$ _____ per unit	\$ _____ per unit	\$ _____ per unit
12 b) Added value of that portion of the cost of imported materials incurred after landing in the state of Hawaii	\$ _____ per unit	\$ _____ per unit	\$ _____ per unit
12 c) Cost of labor, variable overhead, utilities, and services, incurred in the production and manufacturing of materials or products in the state of Hawaii	\$ _____ per unit	\$ _____ per unit	\$ _____ per unit
12 d) Fixed overhead costs	\$ _____ per unit	\$ _____ per unit	\$ _____ per unit
Totals	\$ _____ per unit	\$ _____ per unit	\$ _____ per unit

13. Percent of Hawaii Input: \_\_\_\_\_ % (12a, Column A Total ÷ Column C Total)

14. I certify, under penalties set forth in HRS §103D-1002, on Hawaii products, that the information provided herein has been examined by me and to the best of my knowledge and belief is true, correct, complete, and made in good faith pursuant to HRS §103D-101.

Signature of Authorized Representative: \_\_\_\_\_ Date: \_\_\_\_\_  
 Title: \_\_\_\_\_

APPROVED:  DISAPPROVED: \_\_\_\_\_  
 Procurement Officer Signature: \_\_\_\_\_ Government Agency: \_\_\_\_\_  
 Print Name: \_\_\_\_\_ Title: \_\_\_\_\_



## Cement Group #1 - Exercise

	HAWAII INPUT	NON-HAWAII INPUT	TOTAL INPUT
<b>UNITS</b>			
Produced - Others			145,524
Produced - HC&D			0
Purchased			0
<b>Total Sales Units</b>			<b>145,524</b>
	<b>Per Unit</b>	<b>Per Unit</b>	<b>Per Unit</b>
<b>DIRECT MATERIALS</b>			
Aggregates	2,996,082	0	2,996,082
Manufactured Sand	4,582,434	0	4,582,434
Dune Sand	1,704,413	\$ -	1,704,413
Cement	410,830	4,153,951	4,564,782
Admixtures	126,713	380,140	506,854
Fibermesh	5,540	16,620	22,160
Other Materials	0	214,010	214,010
<b>Total Direct Materials</b>	<b>9,826,013</b>	<b>4,764,722</b>	<b>14,590,735</b>
	<b>\$ 67.52</b>	<b>\$ 32.74</b>	<b>\$ 100.26</b>
<b>VARIABLE PRODUCTION COST</b>			
Direct Labor	126,120	0	126,120
Indirect Labor	398,337	0	398,337
Repairs & Maintenance	183,963	32,464	216,427
Operating Supplies	99,875,505	33,292	133,167
Fuel	56,656	24,261	80,917
Utilities	227,135	0	227,135
Other Variable Overhead	336,393	0	336,393
<b>Total Variable Overhead</b>	<b>1,426,479</b>	<b>90,037</b>	<b>1,516,515</b>
	<b>\$ 9.82</b>	<b>\$ 0.62</b>	<b>\$ 10.44</b>
<b>FIXED OVERHEAD COST</b>	<b>1,293,958</b>	<b>\$ -</b>	<b>1,293,958</b>
	<b>\$ 8.89</b>	<b>\$ -</b>	<b>\$ 8.89</b>
12 a) Cost to mine, excavate, produce, manufacture, raise or grow materials in state of Hawaii	\$ 63.79	\$ -	\$ 63.79
12 b) Added value of that portion of the cost of imported materials incurred after landing in the state of Hawaii	\$ 3.73	\$ 32.74	\$ 36.47
12 c) Cost of labor, variable overhead, utilities, and services, incurred in the production and manufacturing of materials or products in the state of Hawaii	\$ 9.82	\$ 0.62	\$ 10.44
12 d) Fixed overhead costs	\$ 8.89	\$ -	\$ 8.89
<b>Totals</b>	<b>\$ 86.23</b>	<b>\$ 33.36</b>	<b>\$ 119.59</b>
Percent of Hawaii Input	72%		



# Cement Group #1 - Results

Submit one (1) form for each product.  
 8. Specify and provide details of the product for which preference is claimed (ie. Milk, white, 2% low fat, 1 gallon, four (4) to a case etc.)  
 Ready-Mix Concrete per cubic yard

9. Quality Standards met by product (ie. California Milk Standards, ASTM/AHSTO/USDA, etc.): ASTM C94

10. Product available on:  Oahu  Maui  Hawaii  Lanai  Kauai  Molokai

11. Product is certified as agricultural, aquacultural, horticultural, silvicultural, fornicultural, or livestock product raised, grown, or harvested in the state of Hawaii:  
 Yes or  No

12. Definition: "Hawaii Input" is the part of the product cost attributable to production, manufacturing, or other expenses arising within the state of Hawaii.

Fill in every line in column A, B, & C	A Hawaii Input	B Non-Hawaii Input	C Total A + B
a. Cost to mine, excavate, produce, manufacture, raise, or grow the materials in the state of Hawaii	\$63.79 per unit	\$0 per unit	\$63.79 per unit
b. The added value of that portion of the cost of imported materials incurred after landing in the state of Hawaii, including but not limited to other articles, materials, and supplies, added to the imported materials.	\$3.73 per unit	\$32.74 per unit	\$36.47 per unit
c. Cost of labor, variable overhead, utilities, and services, incurred in the production and manufacturing of materials or products in the state of Hawaii	\$0.82 per unit	\$0.62 per unit	\$1.43 per unit
d. Fixed overhead cost and amortization or depreciation cost, if any, for buildings, tools, and equipment situated and located in the state of Hawaii used in the production or manufacturing of a product.	\$8.89 per unit	\$0 per unit	\$8.89 per unit
e. Totals	\$86.23 per unit (Add Column A)	\$33.36 per unit (Add Column B)	\$119.59 per unit (Add Column C)

▶ Hawaii Input %: 72%

▶ Classification: Class I

▶ Hawaii Product: Yes

▶ Recommendation: Approve

13. Percent of Hawaii Input: 72% (12e. Column A Total ÷ Column C Total) *see 10/17/19 class 1*

14. Failure to adequately verify, deliver, or supply Hawaii products. A procurement officer who has awarded a contract finds the contractor has failed to comply with HRS §103D-1002, Hawaii products, the contract shall be cancelled and the findings shall be referred for debarment or suspension proceedings under HRS §103D-702. Any purchase made or any contract awarded or executed in violation of this section shall be void and no payment shall be made by any purchasing agency. If debarred, the person or company shall be prohibited from bidding on any state or county government solicitations for up to three (3) years.

Should the procurement officer receiving a protest challenging the validity of the classification of a Hawaii product request an audit of the information of the proper classification of the product as defined under HRS §103D-1002, the cost of the audit shall be paid for by the requester.

In the event of any change that materially alters the offeror's ability to supply the certified Hawaii products, the offeror shall notify in writing the procurement officer within five (5) working days of knowing of the change and the parties shall enter into discussions for the purposes of revising the contract or terminating the contract for convenience. Information submitted is CONFIDENTIAL or PROPRIETARY DATA, and the procurement officer shall not disclose this form, pursuant to HRS §107-13(3) on government records, except as to general rule.

I certify, under penalties set forth in HRS §103D-1002, on Hawaii products, that the information provided herein has been examined by me and to the best of my knowledge and belief is true, correct, complete, and made in good faith pursuant to HRS §103D-101.



Signature of Authorized Representative: *Walt Dancy* Date: 8/22/2016  
 Title: Office Manager

APPROVED  DISAPPROVED  *Sarah Allen* State Procurement Office  
 Print Name: Sarah Allen Government Agency  
 Date: 10/16/19

# Cement Group #2 - Results

Submit one (1) form for each product.  
 8. Specify and provide details of the product for which preference is claimed (ie. Milk, white, 2% low fat, 1 gallon, four (4) to a case etc.)  
 Portland Cement - Type 1/31

9. Quality Standards met by product (ie. California Milk Standards, ASTM/AHSTO/USDA, etc.): ASTM C-150 and AASHTO M 88

10. Product available on:  Oahu  Maui  Hawaii  Lanai  Kauai  Molokai

11. Product is certified as agricultural, aquacultural, horticultural, silvicultural, fornicultural, or livestock product raised, grown, or harvested in the state of Hawaii:  
 Yes or  No

12. Definition: "Hawaii Input" is the part of the product cost attributable to production, manufacturing, or other expenses arising within the state of Hawaii.

Fill in every line in column A, B, & C	A Hawaii Input	B Non-Hawaii Input	C Total A + B
a. Cost to mine, excavate, produce, manufacture, raise, or grow the materials in the state of Hawaii	\$_____ per unit	\$68 per unit	\$68 per unit
b. The added value of that portion of the cost of imported materials incurred after landing in the state of Hawaii, including but not limited to other articles, materials, and supplies, added to the imported materials.	\$4 per unit	\$_____ per unit	\$4 per unit
c. Cost of labor, variable overhead, utilities, and services, incurred in the production and manufacturing of materials or products in the state of Hawaii	\$30 per unit	\$_____ per unit	\$30 per unit
d. Fixed overhead cost and amortization or depreciation cost, if any, for buildings, tools, and equipment situated and located in the state of Hawaii used in the production or manufacturing of a product.	\$5 per unit	\$_____ per unit	\$5 per unit
e. Totals	\$39 per unit (Add Column A)	\$68 per unit (Add Column B)	\$107 per unit (Add Column C)

▶ Hawaii Input %: 37%

▶ Classification: Class I

▶ Hawaii Product: No

▶ Recommendation: Disapprove

13. Percent of Hawaii Input: 37% (12e. Column A Total ÷ Column C Total)

14. Failure to adequately verify, deliver, or supply Hawaii products. A procurement officer who has awarded a contract finds the contractor has failed to comply with HRS §103D-1002, Hawaii products, the contract shall be cancelled and the findings shall be referred for debarment or suspension proceedings under HRS §103D-702. Any purchase made or any contract awarded or executed in violation of this section shall be void and no payment shall be made by any purchasing agency. If debarred, the person or company shall be prohibited from bidding on any state or county government solicitations for up to three (3) years.

Should the procurement officer receiving a protest challenging the validity of the classification of a Hawaii product request an audit of the information of the proper classification of the product as defined under HRS §103D-1002, the cost of the audit shall be paid for by the requester.

In the event of any change that materially alters the offeror's ability to supply the certified Hawaii products, the offeror shall notify in writing the procurement officer within five (5) working days of knowing of the change and the parties shall enter into discussions for the purposes of revising the contract or terminating the contract for convenience. Information submitted is CONFIDENTIAL or PROPRIETARY DATA, and the procurement officer shall not disclose this form, pursuant to HRS §107-13(3) on government records, except as to general rule.

I certify, under penalties set forth in HRS §103D-1002, on Hawaii products, that the information provided herein has been examined by me and to the best of my knowledge and belief is true, correct, complete, and made in good faith pursuant to HRS §103D-101.



Signature of Authorized Representative: *Acel* Date: 2/24/2017  
 Title: Controller

APPROVED  DISAPPROVED  *Sarah Allen* State Procurement Office  
 Print Name: Sarah Allen Government Agency  
 Date: 3/7/17

## Beef Group - Exercise



Animal Info			
Ranch Weight (lbs/hd)	1154	Travel Shrink %	10.0%
Live Weight @ Plant (lbs/hd)	1039	Dressing %	54.7%
Rail Weight (lbs/hd)	568	Carcass Cutting Yield	71.0%
Red Meat Weight (lbs/hd)	403.26	Bandsaw Loss %	6%
Live Cost (\$/lb)	0.55		
Live Cost (\$/hd)	634.7		
Rail Cost (\$/lb)	1.12		
Red Meat Cost (\$/lb)	\$1.574		
Freight			
Live Freight-In Fees (\$/hd)	125		
Red Meat Freight-In Fees (\$/lb)	0.31		
Freight-out Fees (\$/lb)	0.30		
Total Freight Fees (\$/lb)	\$0.610		
MeatCo Fees			
Slaughter Fee (\$/hd)	200		
Rail Processing Fee (\$/lb)	0.59		
Total Fees (\$/hd)	535.12		
Total Fees (\$/lb)	\$1.327		
		<b>Total Cost, Delivered</b>	
Cost/lb As BrandCo	\$3.511		1415.80
BrandCo Gross Margins			
@3.75 delivered	6.4%		
@3.65 delivered	3.8%		
@3.55 delivered	1.1%		

## Beef Group - Exercise

- For the TOTAL Red Meat Cost (\$/lb) of \$1.574 we factor that by dividing the Live Cost (\$/hd) which is what it costs us to raise the animal and then divide that cost by the Red Meat Weight (lbs/hd) which is the total amount of salable product that we end up with after processing.
- The Rail Cost as listed below is listed only to show how the value of the product increases the further it goes through processing so this cost is more of an intermediary step and shows how much the animal costs us when it is hanging on the rail before going into the chiller to age and before being broken down into red meat / salable product. This cost is factored by dividing the Live Cost (\$/hd) which again is what it costs us to raise the animal and then divide that cost by the Rail Weight (lbs/hd). As you can see the further the animal is processed, the more it costs to produce a finished product.

Animal Info Description	Amount	Calculation (how I got Amount)
Live Cost (\$/lb)	\$0.55	Live Cost (\$hd) / Ranch Weight (lbs/hd) = 634.7 / 1154
Rail Cost (\$/lb)	\$1.12	Live Cost (\$hd) / Rail Weight (lbs/hd) = 634.7 / 568
<b>TOTAL Red Meat Cost (\$/lb)</b>	<b>\$1.574</b>	Live Cost (\$hd) / Red Meat Weight (lbs/hd) = 634.7 / 403.26

- For Freight, how did you come up with 0.30 (Freight-out Fees \$/lb)? I think I calculated the 0.31 for Red Meat Freight-In Fees (\$/lb) correctly. (please see explanation below)

Freight Description	Amount	Calculation (how I got Amount)
Red Meat Freight-In Fees (\$/lb)	0.31	Live Freight-In Fees (\$hd) / Red Meat Weight (lbs/hd) = 125 / 403.26
+ Freight-out Fees (\$/lb)	0.30	This calculation is based purely off of what we are charged by our distribution partners and only for distribution on Oahu. We are charged \$0.30/lb.

to distribute to Times supermarkets here on Oahu through HFA (Hawaii Foodservice Alliance) and any other island distribution is \$0.40/lb. So the total freight fees (\$/lb) will vary between \$0.61-\$0.71/lb depending on where the customer is but for simplicity and whereas the bulk of our distribution is on Oahu we listed it as \$0.30.

<b>TOTAL Freight Fees (\$/lb)</b>	<b>\$0.610</b>	
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- For MeatCo Fees, I could not figure out the \$1.327 for Total Fees (\$/lb). Please provide the calculations on how you came to this amount. (Explanations in-line below)

MeatCo Fees Description	Amount	Calculation
Slaughter Fee (\$/hd)	\$200	This is a flat rate fee that Kurco charges to all producers. Whereas we treat the slaughterhouse as a separate business we charge ourselves this fee for every animal that we process. Since we also process for a lot of other ranchers and local beef brands we hold ourselves to the same fee and level of accountability. To slaughter 1 animal at our Kapolei facility the fee is \$200.
+ Rail Processing Fee (\$/lb)	\$0.59	This includes the storage and processing costs of turning that carcass into salable product after slaughter. The main factors here are the storage/refrigeration/electricity and the labor cost that add up to an average of \$0.59/lb. This fluctuates gently depending on the amount of time it takes to process the animal, if electricity goes up, if workers are having an off-day etc. but the average rail processing fee (\$/lb) for MeatCo is \$0.59/lb.
<b>TOTAL Fees (\$/lb)</b>	<b>\$1.327</b>	To find out the TOTAL Fees (\$/lb) we divide the total fees (\$hd) of \$535.12 by the Red Meat Weight (lbs/hd) of 403.26 lbs. You get a total of \$1.327.



## Beef Group - Results

Submit one (1) form for each product.

8. Specify and provide details of the product for which preference is claimed (ie: Milk, white, 2% low fat, 1 gallon, four (4) to a case etc.):  
 1138Axxx – Beef Slices (can be packed to customer specifications, pricing based on 40 pound cases containing four (4), ten (10) pound, vacuum-sealed bags in each case)

9. Quality Standards met by product (ie: California Milk Standards, ASTM/ASTM/USDA, etc.): USDA Inspected (ast. 6208)

10. Product available on:  Oahu  Maui  Hawaii  Lanai  Kauai  Molokai

11. Product is certified an agricultural, aquacultural, horticultural, silvicultural, floricultural, or livestock product raised, grown, or harvested in the state of Hawaii.  
 Yes or  No

12. Definition: "Hawaii Input" is the part of the product cost attributable to production, manufacturing, or other expenses arising within the state of Hawaii.  
 Fill in every line in columns A, B, & C.

	A Hawaii Input	B Non-Hawaii Input	C Total A + B
a. Cost to mine, excavate, produce, manufacture, raise, or grow the materials in the state of Hawaii	\$1.82 per unit	\$0.00 per unit	\$1.82 per unit
b. The added value of that portion of the cost of imported materials incurred after landing in the state of Hawaii, including but not limited to other articles, materials, and supplies, added to the imported materials.	\$0.00 per unit	\$0.00 per unit	\$0.00 per unit
c. Cost of labor, variable overhead, utilities, and services, incurred in the production and manufacturing of materials or products in the state of Hawaii	\$1.84 per unit	\$0.00 per unit	\$1.84 per unit
d. Fixed overhead cost and amortization or depreciation cost, if any, for buildings, tools, and equipment situated and located in the state of Hawaii used in the production or manufacturing of a product.	\$0.00 per unit	\$0.00 per unit	\$0.00 per unit
e. Totals	\$3.51 per unit (Add Column A)	\$0.00 per unit (Add Column B)	\$3.51 per unit (Add Column C)

13. Percent of Hawaii Input 100 % ( 12a. Column A Total ÷ Column C Total ) **100%**

14. Failure to adequately verify, deliver, or supply Hawaii products. A procurement officer who has awarded a contract finds the contractor has failed to comply with HRS §103D-1002. Hawaii products: the contract shall be cancelled and the findings shall be referred for debarment or suspension proceedings under HRS §103D-102. Any purchase made or any contract awarded or executed in violation of this section shall be void and no payment shall be made by any purchasing agency. If debarred, the person or company shall be prohibited from bidding on any state or county government occasions for up to three (3) years.

Should the procurement officer receiving a protest challenging the validity of the classification of a Hawaii product request an audit of the information of the proper classification of the product as defined under HRS §103D-1002, the cost of the audit shall be paid for by the requester.

In the event of any change that materially alters the offeror's ability to supply the certified Hawaii products, the offeror shall notify in writing the procurement officer within five (5) working days of knowing of the change and the parties shall enter into discussions for the purposes of revising the contract or terminating the contract for convenience. Information submitted is CONFIDENTIAL or PROPRIETARY DATA, and the procurement officer shall not disclose the form, pursuant to HRS §92F-12(3) on government records, except to the general rule.

**I certify, under penalties set forth in HRS §103D-1002, on Hawaii products, that the information provided herein has been examined by me and to the best of my knowledge and belief is true, correct, complete, and made in good faith pursuant to HRS §103D-101.**

Signature of Authorized Representative: M. G. King Date: 9/4/2018 7:09:17 PM PDT  
 Print Name of Authorized Representative: Moana Title: Channel Manager

GOVERNMENT USE ONLY  
 APPROVED  DISAPPROVED  
 Administrative Signature: [Signature] State Procurement Office  
 Sarah Allen Government Agency  
 Print Name: Sarah Allen Date: 9/10/18

SPO-038 (Rev. 11/12/16)

- ▶ Hawaii Input %: **100%**
- ▶ Classification: **Class II**
- ▶ Hawaii Product: **Yes**
- ▶ Recommendation: **Approve**



## What to Remember

- 1) There should only be one product per SPO-038 form;
- 2) Cost data for each product shall reflect the product's actual total production cost per unit. And agencies should ask for a detailed cost breakdown for line items 12a to 12d for Hawaii input in order to verify that the percent total for Hawaii input really is over 50%;
- 3) Once the Department/Agency completes its review and the Procurement Officer finds that the product has qualified as a Hawaii Product, the PO shall notify the approved applicant in writing that their product qualified (i.e. an email is fine). You may also want to include the link to our Hawaii Product site where the product(s) are posted.  
 Here's the link: <http://spo.hawaii.gov/for-vendors/hawaii-product-preferences/>.
- 4) The Procurement Officer shall also submit the approved SPO-038 form to SPO within five (5) working days of the approved date so we can post the approved products to our Hawaii Product Preference site.
- 5) Lastly, please check our Hawaii Products' site, about 10 days after the approved SPO-038 form is submitted to SPO, to make sure your approved product(s) are posted.



Thank You  
for  
Attending!

Questions? Please contact:

Jittima "Jah" Laurita at  
586-0766 or [jittima.laurita@hawaii.gov](mailto:jittima.laurita@hawaii.gov)

Stacey Kauleinamoku at  
586-0571 or [stacey.l.kauleinamoku@hawaii.gov](mailto:stacey.l.kauleinamoku@hawaii.gov)

Kevin Takaesu at  
586-0568 or [kevin.s.takaesu@hawaii.gov](mailto:kevin.s.takaesu@hawaii.gov)



**Noon: Break – feel free to visit vendors**

**12:15: Buffet lunch**

**12:45 pm: AWARDS PROGRAM**

**1:30 pm: Surveys due**

