

SPO-110 Emergency Procurement Transcript

Slide #	Audio
1.	<p>Aloha! This course is designed for executive branch departments and agencies conducting a solicitation utilizing the Emergency method of procurement, pursuant to Hawaii Revised Statutes 103D-307 and Hawaii Administrative Rules 3-122, Subchapter 10. Chief Procurement Officers of other jurisdictions may impose additional policies and procedures. Before we get started, there are a few things you need to know.</p> <p>Click the NEXT button to learn more.</p>
2.	<p>This course provides general navigation functions. Use the Topics menu to jump to a specific topic in this course. Use the arrow buttons to play, pause, replay, or move backward and forward within a section. Use the Glossary menu to familiarize yourself with definitions and acronyms. Use the References menu to access the documents and websites referenced in this course. Use the Transcript menu to view the audio narration transcript.</p>
3.	<p>Pursuant to rules, statutes, procurement circulars, and regulations, you must complete training prior to conducting or participating in procurement activities. This is to ensure you receive the appropriate foundation to fulfill your responsibilities.</p> <p>In addition to obtaining written procurement delegation – pursuant to <i>Procurement Delegation Memo 2010-01</i> and <i>2010-02</i>, or as amended – you’re required to complete SPO 001, SPO 127, and Hawaii Awards and Notices Data System training.</p> <p>Failing to obtain delegation and training may result in administrative fees and/or limiting or revoking procurement activities.</p> <p>For additional training information, refer to <i>Procurement Circular 2010-05</i>.</p>
4.	<p>In this course, you will learn how to:</p> <ul style="list-style-type: none"> • Describe the Emergency method and when it is used; • Apply the rules, regulations, and statutes for emergency purchases; • Identify the Emergency procurement process; and • Determine the award posting requirements.
5.	<p>First, you will learn what defines the Emergency method and when to use it. Then, you’ll examine the steps involved in the Emergency procurement process. Finally, you’ll learn what you are required to post to the SPO website as part of the Emergency procurement process.</p> <p>Click the NEXT button to get started.</p>
6.	<p>Emergency Method – Learn what defines the Emergency method and when to use it.</p>
7.	<p>There are several methods of procurement, each with specific procedures and conditions that must be met. In the event that a procurement falls under more than one method, it is best to use the method that is the most competitive. The focus of this course is the Emergency method.</p> <p>This procurement method is used to respond to immediate and serious needs when there is a threat to life, public health, welfare, or safety. The award is generally based on the lowest-priced responsive and/or responsible offer.</p>

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8.	<p>Public procurements are governed by the statutes (HRS) and its administrative rules (HAR). These statutes set the foundation and provide the procurement authority, while the administrative rules establish the procedures. Any procurement that you conduct shall be in accordance with the statutes, rules, and policies.</p> <p>The statute that governs emergency is HRS 103D-307. Administrative rules for emergencies are defined in HAR Chapter 3-122, Subchapter 10.</p> <p>Additional policies, procedures, and instructions are issued by the Administrator of the State Procurement Office via procurement circulars on the Hawaii SPO website.</p> <p>Take a few minutes to review these regulations by clicking each reference and reading through the information.</p>
9.	<p>An emergency purchase must meet all the following conditions: The situation creates a threat to life, public health, welfare, or safety;</p> <ul style="list-style-type: none"> • It generates an immediate and serious need that cannot be met through normal procurement methods and the government would be seriously injured; and • It threatens the continued government functions or the preservation or protection of irreplaceable property. <p>In order to justify using the Emergency procurement method, you should use the criteria to answer these three questions:</p> <ul style="list-style-type: none"> • What happened?; • What were the results?; and • What are the consequences if the situation is not addressed immediately?
10.	<p>The situation that warrants an emergency purchase must be unforeseen or unanticipated, and it must meet the conditions outlined in HRS 103D-307.</p> <p>While there is no dollar threshold on this method of procurement, every emergency purchase requires approval from the Chief Procurement Officer, or CPO. The approval may be obtained “prior to” or “after-the-fact” depending on the circumstances.</p> <p>This type of purchase is only for immediate needs created by the emergency. It cannot be for subsequent, non-emergency needs.</p> <p>If time permits, it is encouraged to obtain as many quotes as practicable.</p>
11.	<p><i>[male voice]</i> What if a hurricane causes major damage to a few sections of a road that we already know will need repaved within the next year? Can we use the Emergency method to fix the entire road so they don’t have to repave those few sections again?</p> <p><i>[female voice]</i> No, you aren’t allowed to use the Emergency method for subsequent, non-emergency needs. For your situation, you would be able to use the Emergency method to fix the sections that are unfit for travel. Then, you would have to use another method for the entire road to be repaved at a later time.</p>
12.	<p>Periodically, an agency will try to use emergency procurement inappropriately.</p> <p>For example, it is not considered an emergency when an agency uses a good or service on a regular basis but fails to solicit and execute a contract in a timely manner.</p> <p>Another example is when an agency realizes that there is a potential loss of funds at the end of the fiscal year.</p>
13.	<p>Now that you have read the statute, let’s see if you can determine if this real-world scenario should be considered an emergency.</p>

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14.	Let's try another one.
15.	Let's try one more.
16.	Emergency Procurement Process – Learn the required steps for this type of procurement.
17.	No matter when you obtain approval from the CPO, be sure to complete the necessary documentation and follow the steps for emergency procurements.
18a.	Click each box to learn about the steps of this process.
18b.	<p>First, you should request the approval from the Head of the Purchasing Agency, also called the HOPA or a designee.</p> <p>If possible, obtain the approval before you carry out the procurement. If not, get approval as soon as you are realistically able to do so.</p> <p>No matter the dollar amount, you must always get approval.</p>
18c.	<p>If time permits, even if it's only a few days, solicit quotes to allow for fair competition.</p> <p>When this is possible, follow the same procedures as you would for small purchases.</p>
18d.	<p>When the HOPA or designee determines the good, service, or construction meets the requirements for emergency procurement, the HOPA or designee completes Form SPO-002 and signs it.</p> <p>Then, the HOPA or designee submits that form to the CPO for approval.</p> <p>This form should, at a minimum, include the nature of the emergency, the contractor's name, the expenditure amount, what is being purchased, and the reason for contractor selection. When submitting the form, attach any information that helps explain the need for the continuing function of the government, preservation or protection of irreplaceable property, or the health and safety of the public.</p> <p>Click the document icon to see an example that calls attention to the details needed for each section of the form.</p>
18e.	<p>After CPO approval is received, a confirming purchase order or pCard is prepared.</p> <p>The payment document must contain agreement details, including the price, when made orally with the contractor.</p>
18f.	<p>The procuring officer must verify compliance through documentation and may use Hawaii Compliance Express to do so. The documents must be included as part of the procurement documentation for all contracts awarded.</p> <p>This documentation is not required at the time services are rendered if requesting after-the-fact. However, the SPO may check when <i>Form SPO-002</i> is submitted.</p>
18g.	<p>Per <i>Procurement Circular 2020-02</i>, for requests of \$100,000 or more, the agency must submit <i>Form SPO-055, Memorandum for Record (MFR) of Price Reasonableness Determination</i>.</p> <p>This form can be used as the summary page that you attach to your cost and price analysis.</p>
19.	Let's see if you recall the steps for the emergency procurement.
20.	Posting Requirements – Learn about the posting requirements.

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21.	<p>Emergency procurements are posted because the general public has a right to know how taxpayer dollars have been spent.</p> <p>All emergency procurement requests of \$2,500 or greater are posted on the SPO website after they are signed by the CPO.</p> <p><i>Per Procurement Circular 2019-05, you must also post the awards on the Awards site.</i></p> <p>When posting the award, be sure to include the award date, contract or purchase order number, a brief description of the procurement, the original purchase order or pCard amount, and the vendor's name.</p>
22.	<p>After the award is made, you must verify that the services are performed satisfactorily and meet specifications.</p> <p>The Contract Administrator manages the contract, throughout the term of the contract, to ensure that the State received the goods, services, or construction that meet the required specifications and/or scope of work at the price quoted.</p>
23.	<p>For transparency purposes, all documents relating to the solicitation that are not marked confidential are considered public information and, therefore, may be released to anyone requesting it through the Office of Information Practices process.</p>
24.	<p>Let's see if you recall the posting requirements for emergency procurements.</p>
25.	<p>Let's take a look at some references and contact information you may want to use when procuring emergency purchases.</p>
26.	<p>We've covered a lot of information in this course. To help you remember some of the most important parts of the Emergency method of procurement, we've created a quick reference guide that you can save and print. To access the guide, click the References menu in the top right corner of this course.</p>
27.	<p>The SPO website contains a lot of reference material pertaining to the Emergency method of procurement. You can find hyperlinks to these references in the quick reference guide attached to this course.</p>
28.	<p>The SPO website also provides mandatory and recommended on-demand training for your department's procurement personnel. To view the available training, navigate to the SPO website, select "Training for State & County Personnel," and then select "SPO Training."</p>
29.	<p>Let's take a minute to review some key points from this course.</p>
30.	<p>In this course, you were presented with information to help you navigate the Emergency method of procurement. You should now be able to:</p> <ul style="list-style-type: none"> • Describe the Emergency method and when it is used; • Apply the rules, regulations, and statutes for emergency purchases; • Identify the Emergency procurement process; and • Determine the award posting requirements.
31.	<p>This concludes the <i>SPO 110 Emergency Method of Procurement</i> training course.</p> <p>To receive credit for this course, you are required to take an assessment and pass with a score of 100%.</p>
32.	N/A
33.	N/A
34.	N/A
35.	N/A
36.	N/A
37.	N/A
38.	N/A
39.	N/A
40.	N/A
41.	N/A

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42.	N/A
43.	Congratulations! You've completed the <i>SPO 110 Emergency Method of Procurement</i> training course. We appreciate feedback and request that you fill out a short survey to let us know how we did. Mahalo!