




**SPOCON**  
2024

# CPO Requests

By Policy and Compliance Section

1




**SPOCON**  
2024

## Agenda

- Emergency Procurement
- Sole Source Procurement
- Contract Extensions
- Procurement Exemptions
- Procurement Violations
- Unauthorized Purchase of Gasoline and Diesel Fuel Statewide
- Health and Human Services CPO requests
- Some helpful hints, updates, and reminders
- Delegation and Training

2



# What is a CPO request ?

**STATE PROCUREMENT OFFICE  
NOTICE & REQUEST FOR SOLE SOURCE**

TO: Chief Procurement Officer

FROM: Name of Requesting Department

Pursuant to HRS §103D-206 and 10AAR Chapter 3-222, Subchapter 9, the Department requests sole source or sole source procurement for the following:

1. Describe the goods, services, or construction to be procured.

2. Vendor/Contractor/Service Provider Name: \_\_\_\_\_

3. Amount: \_\_\_\_\_

4. Term of contract (shall not exceed 12 months), if applicable: \_\_\_\_\_

5. Prior From: \_\_\_\_\_ To: \_\_\_\_\_

6. Describe in detail the following:  
a. The unique features, characteristics, or capabilities of the goods, service or construction.

**STATE PROCUREMENT OFFICE  
EMERGENCY PROCUREMENT**

TO: Chief Procurement Officer

FROM: Name of Requesting Department

Pursuant to HRS § 103D-207 and 10AAR Chapter 3-222, Subchapter 10, the Department requests approval for:

1. Date or period of Emergency: \_\_\_\_\_ 2. After-the-Fact:

3. Describe in detail the emergency situation that created a threat to life, public health, welfare

4. Vendor/Contractor/Service Provider Name: \_\_\_\_\_

5. \_\_\_\_\_

6. Describe in detail the emergency goods, services, or construction and explain:

7. State the reason(s) the vendor/contractor/service provider was selected. Explain what competitive, was conducted.

**STATE PROCUREMENT OFFICE  
NOTICE OF REQUEST FOR EXEMPTION  
FROM HRS CHAPTER 103D**

TO: Chief Procurement Officer

FROM: Name of Requesting Department

Pursuant to HRS § 103D-203(a) and 10AAR Chapter 3-222, the Department requests a procurement exemption for the following:

1. Describe the goods, services, or construction.

2. Vendor/Contractor/Service Provider: \_\_\_\_\_

3. Term of Contract: \_\_\_\_\_


4. Explain in detail why this is not practicable or not appropriate for the Department to procure by competitive means:

5. Amount of Request: \_\_\_\_\_

6. Prior CPO-000 Procurement Exemption ID: \_\_\_\_\_

7. Explain in detail the process that will be used to allow the vendor/contractor/service provider.

3



# How to submit a CPO request

<https://hands.ehawaii.gov/>

**HANDS** Hawaii Awards & Notices Data System

My Dashboard Search **CPO Requests** Compliance Contractor Performance Small Business HiEPRO Price Lists Wizard Help

**CPO Requests: 1,622 Requests**

This page displays the Notices and Requests for CPO (Executive Branch) approvals including: Sole Source, Emergency, and Exempted Procurements. Learn more about CPO Requests on the [Help page](#).

Enter keyword(s)

Example keywords: vendor/provider name, refuse, IFB-100-SW, Q17000556, Kauai

1,621 Results [Export to Excel](#)

Awarded

Marked as  Is draft.

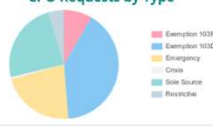
Show Cancelled (Marked as )

Show Archived Requests (Marked as )

Page 1 of 163 | Show 10 on page

Request No.	Date Posted	Status	Description	Amount	Type of Request	Vendor/Provider	Department
.....	.....	.....	.....	.....	.....	.....	.....


**CPO Requests by Type**



- Exemption 103F
- Exemption 103D
- Emergency
- Crisis
- Sole Source
- Restrictive

[New Request](#)

4



# Don't Forget!

- Delegation (Form SPO-036) and Training Records
- HCE Certificate <https://hce.ehawaii.gov>

**PROCUREMENT DELEGATION**  
FORM SPO-036

SPO USE ONLY: Procurement Delegation Effective Date

**SECTION 1 - PURPOSE**  
Purpose of the Request: Add New Delegation

**SECTION 2 - EMPLOYEE INFORMATION**  
Last Name (Print): \_\_\_\_\_ Set Instructions: Procure Level: \_\_\_\_\_  
First Name (Print): \_\_\_\_\_  
Department: \_\_\_\_\_  
I acknowledge that the delegatee procurement authority and responsibility as indicated below and (2) prior to exercising this authority, I am responsible to attend all appropriate SPO training and other seminars or Procurement Circular 2020-05 as needed, and to present at the training website at <http://hawaii.gov/sps>, Job Training for State and County Procurement Personnel.

**SECTION 3 - DELEGATEE PROCUREMENT AUTHORITY AS PROCUREMENT OFFICER TO CERTIFY (SIGN SPO FORMS)** (Check all that apply)  Requires CFO approval

HRS chapter 100 - Hawaii Public Procurement Code

<input type="checkbox"/> SPO-001 Notice and Request for Sole Source*	<input type="checkbox"/> SPO-010 Record of Procurement
<input type="checkbox"/> SPO-002 Notice of Amendment to Sole Source Contract*	<input type="checkbox"/> SPO-014 Request/Specification Request*
<input type="checkbox"/> SPO-003 Request for Extension of Time on Contract*	<input type="checkbox"/> SPO-015 Use of Alternative Procurement Method*
<input type="checkbox"/> SPO-004 Notice of the Award*	<input type="checkbox"/> SPO-020 Request to Use Purchasing Card for Block Purchase*
<input type="checkbox"/> SPO-005 SPO Prior or Vendor List Contract Purchase Exemption	<input type="checkbox"/> SPO-025 Notice of Request to Use OAS System/Rule 70 (Bidding 010)*
<input type="checkbox"/> SPO-007 Notice of and Request for Exemption from Chapter 102D, HRS*	<input type="checkbox"/> SPO-050 Assignment of HANDB Department Administrator/Analyst
<input type="checkbox"/> SPO-007B Notice of Amendment to Exemption from Chapter 102D, HRS*	
<input type="checkbox"/> HRS chapter 102F - Purchase of Health and Human Services	
<input type="checkbox"/> SPO-100 Notice of and Request for Exemption from HRS Chapter 102P	
<input type="checkbox"/> SPO-100B Request for Alternative-Proc Secondary Purchase*	
<input type="checkbox"/> SPO-100C Notice of and Request for Responsive Purchase of Service*	
<input type="checkbox"/> SPO-100D Request for Crisis Purchase of Service*	

\*Note: Only One (One) may be authorized to certify single SPO forms: SPO-001, SPO-010, SPO-014

**SECTION 4 - DELEGATEE PROCUREMENT AUTHORITY TO EXECUTE, CONDUCT, PARTICIPATE IN THE VARIOUS PROCUREMENT METHODS, AND TO ACT AS HIS/HER APPROVER OR BUYER** (Check all that apply)  Requires Approval

HRS chapter 100B - Hawaii Public Procurement Code

<input type="checkbox"/> Competitive Sealed Bidding (HRS §102D-302)	<input type="checkbox"/> Procurement Methods	<input type="checkbox"/> HIRPRO
<input type="checkbox"/> Competitive Sealed Proposals (HRS §102D-303)	Procurement Methods	HIRPRO
	Competitive	Approval
	Other	Buyer

**CERTIFICATE OF VENDOR COMPLIANCE**

STATE OF HAWAII  
STATE PROCUREMENT OFFICE

This document presents the compliance status of the vendor identified below as the date due will appear to certify compliance. It is the responsibility of the Vendor, DCA/AS, the Internal Revenue Service, the Hawaii Department of Labor and Industrial Relations (DLIR), and the Hawaii Department of Consumer and Commerce Affairs (DCCA).

Vendor Name: **The Best Company**

DCA/Trade Name: **Number 1**

Issue Date: **10/30/2024**

Status: **Compliant**

Hawaii Tax#: 2014310-01  
New Business Tax#: 000-0000  
LIR#: 00000000  
DCCA FLEA#: \_\_\_\_\_

State of Compliance for this Vendor on Issue Date:

Form	Department(s)	Status
A-1	Hawaii Department of Tourism	Compliant
100	Internal Revenue Service	Compliant
COCA	Hawaii Department of Consumer & Commerce Affairs	Compliant
DLIR	Hawaii Department of Labor & Industrial Relations	Compliant

Status Legend:

None: The entity is exempt from this requirement.

Emergency: The entity is compliant with this requirement in the entity is in compliance with agency and external tracking records.

Compliant: The entity is compliant with this requirement in the entity is in compliance with agency and external tracking records.

5




# Emergency Procurement



6

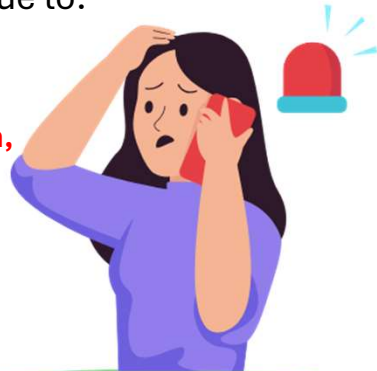
**SPOCON 2024**



## What is an Emergency Procurement?


- Conducted when it is not in the best interest of the State to conduct a competitive procurement due to:
  - A situation of an unusual or compelling urgency that is **threat to life, public health, welfare, or safety**

➤ HRS §103D – 107 and HAR § 3-122 Subchapter 10



7


**SPOCON 2024**



## Criteria for Emergency Procurement

Conduct an emergency procurement if without the needed goods, services, or construction:

- The government would be seriously injured
- Government cannot continue functioning
- Preservation or protection of irreplaceable property or health and safety of **any person** will be seriously threatened



8

**SPOCON 2024**




## Examples






9

**SPOCON 2024**




## What is NOT an Emergency

- Lapsing of funds 
- Failure to plan or maintain existing property
  - Contract expiring soon, not enough time to procure




10



**SPOCON**  
2024

## Form SPO-002



**STATE PROCUREMENT OFFICE**  
**EMERGENCY PROCUREMENT**


TO: Chief Procurement Officer

FROM: \_\_\_\_\_  
*Name of Requesting Department*

Pursuant to HRS § 103D-307 and HAR chapter 3-122, Subchapter 10, the Department requests approval for the following:

1. Date or period of Emergency:	2. After-the-Fact: <input type="checkbox"/> Yes <input type="checkbox"/> No
3. Describe in detail the emergency situation that created a threat to life, public health, welfare or safety.	
4. Vendor/Contractor/Service Provider Name:	5. Amount of Request: \$
6. Describe in detail the emergency goods, services, or construction and explain why it is necessary.	

11




**SPOCON**  
2024

## Tips and Reminders for Emergency Procurement

- You can submit form SPO-002, Emergency Procurement, prior to taking action, if time permits, or after-the-fact
- Attach invoices, before and after pictures, chronology of events.
- If request is submitted late (months after the emergency), please state what caused the delay.
- The Governor’s Emergency Proclamation may suspend HRS chapters 103D and 103F.
- Training is available for Emergency Procurement.

12



# CPO Requests

By Policy & Compliance Section

1

13



# CPO Requests

- **Contract Extension Request**

2

14



# CPO Requests

- **Contract Extension Request**
- Extension is for 180 days or less

3

15




# CPO Requests

- **Contract Extension Request**
- Extension is for 180 days or less
- New contract award is impractical because
  - new contract cannot be awarded in time,

4

16






# CPO Requests

- **Contract Extension Request**
- Extension is for 180 days or less
- New contract award is impractical because
  - new contract cannot be awarded in time,
  - the need for the service is short term

5

17



# CPO Requests

- **Contract Extension Request**
- Extension is for 180 days or less
- New contract award is impractical because
  - new contract cannot be awarded in time,
  - the need for the service is short term
  - all parties agree to the extension
  - price or contract conditions remain the same

6

18



# CPO Requests

- **Contract Extension Request**
- Extension is for 180 days or less
- New contract award is impractical because
  - new contract cannot be awarded in time,
  - the need for the service is short term
  - all parties agree to the extension
  - price or contract conditions remain the same
- Form SPO-003
- Submittal **ONLY** through HANDS



**STATE PROCUREMENT OFFICE  
REQUEST FOR CONTRACT EXTENSION**

TO: Chief Procurement Officer  
FROM: \_\_\_\_\_  
Name of Requesting Department

Pursuant to HAR chapter 3-122, Subchapter 2, the Department requests approval for the following:

1. Describe the goods, services or construction procured, cite solicitation or contract number, and total contract amount (including all supplemental agreements).

2. Identify the method of procurement used for the above contract:

Competitive Sealed Bidding (HRS §103D-302 and HAR chapter 3-122, Subchapter 5)

Competitive Sealed Proposals (HRS §103D-303 and HAR chapter 3-122, Subchapter 6)

Professional Services (HRS §103D-304 and HAR chapter 3-122, Subchapter 7)

Small Purchase (HRS §103D-305 and HAR chapter 3-122, Subchapter 8. NOTE: The total sum of expenditures, including the extension period, shall not exceed the small purchase threshold.)

3. Vendor/Contractor/Service Provider Name: \_\_\_\_\_

4. Total term of contract (including initial and all supplementals): Start: \_\_\_\_\_ End: \_\_\_\_\_

5. Prior SPO-003 Request for Contract Extension:  Yes  No  
If yes, prior SPO-003 Request for Contract Extension (CE) Number: \_\_\_\_\_  
Prior extension time: From: \_\_\_\_\_ To: \_\_\_\_\_ Prior Extension Amount: \$ \_\_\_\_\_

6. Current request extension time: From: \_\_\_\_\_ To: \_\_\_\_\_ Current Extension Amount: \$ \_\_\_\_\_

7. Explain in detail why a contract extension is necessary and, if applicable, why a new contract cannot be executed prior to current contract expiration. If a new solicitation is being done, explain what progress (including a timeline) has been made.

Form SPO-003 (rev 07/09/2021) Contract Extension No. \_\_\_\_\_ Page 1

---

8. Identify the primary responsible staff person(s) conducting and managing this procurement. (Appropriate delegated procurement authority and completion of mandatory training required.)  
\*Point of contact (Place asterisk after name of person to contact for additional information.)

Name	Division/Agency	Phone Number	E-mail Address

All requirements, approvals and internal controls for this expenditure is the responsibility of the department. I certify that the information provided is to the best of my knowledge, true and correct.

Department Head Signature: \_\_\_\_\_ Date: \_\_\_\_\_

**For Chief Procurement Officer Use Only**

Chief Procurement Officer (CPO) Comments:

Approved  Disapproved  No Action Required

Chief Procurement Officer Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Form SPO-003 (rev 07/09/2021) Contract Extension No. \_\_\_\_\_ Page 2




# CPO Requests

- Sole Source Request

9

21




# CPO Requests

- Sole Source Request
- only **one** source due to a unique feature, characteristic, or capability

10

22



**HAR Chapter 3-122  
PROCUREMENTS APPROVED FOR SOLE SOURCE  
01/18/07**


The following list of Sole Source procurements, pursuant to HAR §3-122-81, has been approved by the procurement policy board:

Sole Source No.	Sole Source
1	Rental of booth space for exhibits at conventions and trade shows when organized by a single sponsor. <i>Criteria:</i> When rental is available only through a single organizer or sponsor of the convention or trade show.
2	For the repair, replacement, installation (connection, activation or hookup), or relocation of public utility company equipment or facilities. <i>Criteria:</i> When the equipment or facilities are owned or controlled by utility companies such as an electric, telephone, gas, or cable television company.
3	Annual license renewal and maintenance for computer software.

<https://spo.hawaii.gov/wp-content/uploads/2013/11/3-122.pdf>

11

23




# CPO Requests

- **Sole Source Request**
- only one source due to a unique feature, characteristic, or capability
- Pre-approved sole sources under §3-122-81, HAR

12

24




# CPO Requests

- **Sole Source Request**
- only one source due to a unique feature, characteristic, or capability
- Pre-approved sole sources under §3-122-81, HAR
- Written determination by the department head
- Form SPO-001

13

25



# CPO Requests

- **Sole Source Request**
- only one source due to a unique feature, characteristic, or capability
- Pre-approved sole sources under §3-122-81, HAR
- Written determination by the department head
- Form SPO-001
- Limited to 12 months
- Submittal through HANDS


14


26



# CPO Requests

- **Sole Source Request**
- only one source due to a unique feature, characteristic, or capability
- Pre-approved sole sources under §3-122-81, HAR
- Written determination by the department head
- Form SPO-001
- Limited to 12 months
- Submittal through HANDS
- 7-day posting period





**STATE PROCUREMENT OFFICE  
NOTICE & REQUEST FOR SOLE SOURCE**

TO: Chief Procurement Officer  
FROM: \_\_\_\_\_  
*Name of Requesting Department*

Pursuant to HRS §103D-306 and HAR chapter 3-122, Subchapter 9, the Department requests sole source approval to purchase the following:

1. Describe the goods, services, or construction to be procured.

2. Vendor/Contractor/Service Provider Name:	3. Amount of Request:
4. Term of contract (shall not exceed 12 months), if applicable: From: _____ To: _____	5. Prior SPO-001, Sole Source (SS) No.: _____

6. Describe in detail the following:

a. The unique features, characteristics, or capabilities of the goods, service or construction.

b. How the unique features, characteristics or capabilities of the goods, service or construction are essential for the department.

Form SPO-001 (rev 06/13/2012) Sole Source No. \_\_\_\_\_ Page 1

7. Describe the efforts and results in determining that this is the only vendor/contractor/service provider who can provide the goods, services or construction.

8. Alternate sources. Describe the other possible sources for the goods, services, or construction that were investigated but did not meet the department's needs.

9. Identify the primary responsible staff person(s) conducting and managing this procurement. (Appropriate delegated procurement authority and completion of mandatory training required.)  
\*Point of contact (Place asterisk after name of person to contact for additional information).


Name	Division/Agency	Phone Number	E-mail Address

Department shall ensure adherence to applicable administrative and statutory requirements, including HAR chapter 3-122, Subchapter 14, Cost or Pricing Data if required.

*All requirements/approvals and internal controls for this expenditure is the responsibility of the department. I certify that the information provided is to the best of my knowledge, true and correct.*

\_\_\_\_\_  
Department Head Signature \_\_\_\_\_ Date

Form SPO-001 (rev 06/13/2012) Sole Source No. \_\_\_\_\_ Page 2




# CPO Requests

- **Sole Source Request submittal:**
  - Confirm the purchase qualifies as a sole source
  - Verify the good or service is not already pre-approved
  - Form SPO-001

17

29




# CPO Requests for Health & Human Services

- *Restrictive Purchase of Service*
- *Crisis Purchase of Service*
- *Request for exemption from chapter 103F*

18

30




# CPO Requests for Health & Human Services

**Restrictive Purchase of Service:**

19

31



# CPO Requests for Health & Human Services


**Restrictive Purchase of Service:**

- 103F's equivalent to 103D's sole-source request

20

32






## CPO Requests for Health & Human Services

**Restrictive Purchase of Service:**

- 103F's equivalent to 103D's sole-source request
- Only **one** provider capable of delivering the services

21

33




## CPO Requests for Health & Human Services

**Restrictive Purchase of Service:**

- 103F's equivalent to 103D's sole-source request
- Only one provider capable of delivering the services
- No list with pre-approved restrictive purchases

22

34




## CPO Requests for Health & Human Services

**Restrictive Purchase of Service:**

- 103F's equivalent to 103D's sole-source request
- Only one provider capable of delivering the services
- No list with pre-approved restrictive purchases

23

35




## CPO Requests for Health & Human Services

**Restrictive Purchase of Service:**

- 103F's equivalent to 103D's sole-source request
- Only one provider capable of delivering the services
- No list with pre-approved restrictive purchases
- Form SPOH-500

24

36




## CPO Requests for Health & Human Services

**Restrictive Purchase of Service:**

- 103F's equivalent to 103D's sole-source request
- Only one provider capable of delivering the services
- No list with pre-approved restrictive purchases
  - Form SPOH-500
- Submittal through HANDS
- attach required documentation

25

37




## CPO Requests for Health & Human Services

**Restrictive Purchase of Service:**

- 103F's equivalent to 103D's sole-source request
- Only one provider capable of delivering the services
- No list with pre-approved restrictive purchases
- Form SPOH-500
- Submittal through HANDS
- attach required documentation
- 7 day posting period

26

38



**STATE OF HAWAII**  
**NOTICE OF AND REQUEST FOR**  
**RESTRICTIVE PURCHASE OF SERVICE**  
**PURSUANT TO §103F-403, HRS**

To: Chief Procurement Officer

From: \_\_\_\_\_  
Department Director/ Branch or Office

Pursuant to §103F-403, HRS, and Chapter 3-144, HAR, the department head has made a determination that an adequate basis for a restrictive purchase of services exists and requests approval to make a restrictive purchase for the following:

1. Title and description of health and human service(s):  
\_\_\_\_\_
2. Provider Name and Address:  
\_\_\_\_\_
3. Total Contract Funds:  
Contract Funds per Year (if applicable):  
\_\_\_\_\_
4. Est. No. of Previous Request for this Service (if applicable):  
\_\_\_\_\_
5. Term of Contract: Start: \_\_\_\_\_ End: \_\_\_\_\_  
If the contract term is longer than 1 year, provide justification for the extended term:
6. Describe the circumstances justifying a restrictive purchase:  
\_\_\_\_\_

SPO-B-500 (Rev. 9/06)

STATE OF HAWAII  
NOTICE OF AND REQUEST FOR  
RESTRICTIVE PURCHASE OF SERVICE  
PURSUANT TO §103F-403, HRS

7. Describe the efforts and results in determining that this is the sole provider who can render services. Include approximate dates:  
\_\_\_\_\_
8. List state agency personnel, by position title, who will be involved in the approval process and administration of the contract:  
\_\_\_\_\_
9. Direct questions to (name & position):  
Phone number:  
e-mail address:  
\_\_\_\_\_

I certify that the information provided above is to the best of my knowledge true and correct.


\_\_\_\_\_  
Department Head Signature      Date: \_\_\_\_\_

\_\_\_\_\_  
Typed Name

SPO-B-500 (Rev. 9/06)      Page 1

27

39




## CPO Requests for Health & Human Services

**Crisis Purchase of Service request:**

- Similar to 103D's emergency procurement

28

40




## CPO Requests for Health & Human Services

**Crisis Purchase of Service request:**

- Similar to 103D's emergency procurement
- Conditions:
  - a) The life, health or safety of any person is seriously threatened.
  - b) The circumstance or situation generates an immediate and serious need that cannot be met by any other purchasing agency that provides health and human services.

29

41




## CPO Requests for Health & Human Services

**Crisis Purchase of Service request:**

- Similar to 103D's emergency procurement
- Conditions:
  - a) The life, health or safety of any person is seriously threatened.
  - b) The circumstance or situation generates an immediate and serious need that cannot be met by any other purchasing agency that provides health and human services.
- Requirements:
  - 1) The department head has determined in writing that a crisis condition exists, and
  - 2) No other procurement method can address the needs created by the crisis.

30

42



**STATE OF HAWAII**  
**REQUEST FOR**  
**CRISIS PURCHASE OF SERVICE**  
**PURSUANT TO §103F-406, HRS**

To: Chief Procurement Officer

From: Department/Division/Office or OIG/IC

Pursuant to Section 103F-406, HRS, and Chapter 3-147, HAR, the Department Head has determined a crisis condition exists and requests approval to make a crisis purchase for the following:

1. Request made:  Before-the-Fact  After-the-Fact

2. Title and description of health and human service(s):

---

3. Provider Name and Address:

---

4. Total Contract Funds:

---

5. Term of Contract: Start: \_\_\_\_\_ End: \_\_\_\_\_

Crisis purchase of service are limited to current needs only. Enter justification for length of contract:

---

6. Describe the nature of the crisis condition (pursuant to section 3-147-201, HAR):

---

SPO-H 600 (Rev. 9/06)

**STATE OF HAWAII**  
**REQUEST FOR**  
**CRISIS PURCHASE OF SERVICE**  
**PURSUANT TO §103F-406, HRS**

7. Describe the reason for selection of the provider (including description of practicable competencies):

---

8. For approvals requested after-the-fact, explain why it was not practicable to request approval prior to the purchase:

---

9. Direct questions to (name & position):  
Phone number: \_\_\_\_\_  
e-mail address: \_\_\_\_\_

I certify that the information provided above is to the best of my knowledge true and correct.

\_\_\_\_\_  
*Department Head Signature*      *Date*

\_\_\_\_\_  
*Type of Name*

FOR CHIEF PROCUREMENT OFFICER USE ONLY

Chief Procurement Officer's Comments:

---

APPROVED    DISAPPROVED    NO ACTION


\_\_\_\_\_  
*Chief Procurement Officer Signature*      *Date*

Please ensure adherence to applicable administrative requirements.

SPO-H 600 (Rev. 9/06)      Page 2

31

43




# CPO Requests for Health & Human Services

## Request for Exemption (103F)

32

44




## CPO Requests for Health & Human Services

**Request for Exemption (103F):**

- Form SPOH-150

33

45




## CPO Requests for Health & Human Services

**Request for Exemption (103F):**

- Form SPOH-150
- Competitive Procurement is either not advantageous or not practicable for the State.

34

46




## CPO Requests for Health & Human Services

**Request for Exemption (103F):**

- Form SPOH-150
- Competitive Procurement is either not advantageous or not practicable for the State.
- HANDS submittal only

35

47



## CPO Requests for Health & Human Services


**Request for Exemption (103F):**

- Form SPOH-150
- Competitive Procurement is either not advantageous or not practicable for the State.
- HANDS submittal only
- 7 day posting

36

48





**STATE OF HAWAII**  
**NOTICE OF AND REQUEST FOR EXEMPTION**  
**FROM CHAPTER 103F, HRS**

To: Chief Procurement Officer

From: \_\_\_\_\_  
Department/Division/Office or Office

Pursuant to § 103F-101(a)(4), HRS, and Chapter 1-141, HAR, the Department requests a procurement exemption to purchase the following:

- Title and description of health and human service(s):  
\_\_\_\_\_
- Provider Name and Address:  
\_\_\_\_\_
- Total Contract Funds: \_\_\_\_\_ Check if estimated:   
Contract Funds per Year (if applicable): \_\_\_\_\_
- Reference number of Previous Request for this Service (if applicable): \_\_\_\_\_
- Term of Contract: Start: \_\_\_\_\_ End: \_\_\_\_\_
- Describe how procurement by competitive means is either not practicable or not advantageous to the State:  
\_\_\_\_\_
- Describe the reasons for the selection of the provider including a description of how the procedures ensured the maximum fair and open competition practicable:  
\_\_\_\_\_

SPOH 150 (Rev. 5/2016)

**STATE OF HAWAII**  
**NOTICE OF AND REQUEST FOR**  
**EXEMPTION FROM CHAPTER 103F, HRS**

8. Describe the state agency's internal controls and approval requirements for the exempted procurement:  
\_\_\_\_\_

9. List the state agency personnel, by position title, who will be involved in the approval process and administration of the contract:  
\_\_\_\_\_

10. Direct questions to (name & position):  
Phone number: \_\_\_\_\_  
e-mail address: \_\_\_\_\_

I certify that the information provided above is to the best of my knowledge true and correct.

\_\_\_\_\_  
*Department Head Signature*      *Title*  
\_\_\_\_\_  
*Type/Name*

**NOTICE**

The chief procurement officer in considering this request for exemption and, if there is good cause, the state intends to exempt the purchase as described in the request. Any inquiries regarding the purchase shall be directed to the contact person noted in item 10 of the request. Any concerns regarding the exemption shall be in writing and received by the chief procurement officer within seven days of the date the notice was first posted. Concerns shall be mailed to: Chief Procurement Officer, State Procurement Office, 1151 Punchbowl St., #230A, Honolulu, HI 96813.

**FOR CHIEF PROCUREMENT OFFICER USE ONLY**

Chief Procurement Officer's Comment:  
\_\_\_\_\_

APPROVED     DISAPPROVED     NO ACTION


\_\_\_\_\_  
*Chief Procurement Officer Signature*      *Title*

Department shall ensure adherence to applicable administrative requirements.  
All requirements (approvals and internal controls) for this expenditure are the responsibility of the department.

SPOH 150 (Rev. 5/2016) Page 2

37

49



## CPO Requests for Health & Human Services

### Request for Exemption (103F):

- Form SPOH-150
- Competitive Procurement is either not advantageous or not practicable for the State.
- HANDS submittal only
- 7 day posting
- attach additional required documentation (delegation & training records, HCE certificate, form spo-055 if applicable).

38

50


25



## Things to Know about Procurement Exemptions

- A situation where a procurement of a good or service by competitive means is either **not practicable or not advantageous** to the State, although such goods and services may be available from multiple sources
  - “Practicable” – feasible, useful, usable
  - “Advantageous” – to be a benefit to; to impose upon
- **HRS §103D-101(a)(6)**, “Encourage economic competition by:
  - Ensuring that all persons are afforded an **equal opportunity to compete in a fair and open environment**”


51



## What are Procurements Exempt from Chapter 103D, HRS

- HRS Section 103D-102 (**by statute**);
- Exhibit A, titled “Procurements Exempt from HRS Chapter 103D, HRS, HAR Chapter 3-120 (**by rules**); and
- For the Executive Branch, CPO approved SPO-007 and SPO-007B forms are on the Hawaii Awards and Notices Data System (HANDS) (**by CPO Approval**);
  - Each respective Chief Procurement Officer (CPO) approves procurement exemptions for goods and services for their own jurisdictions

52



## Where are Procurements Exempt from Chapter 103D, HRS, listed


**§103D-102 Application of this chapter.** (a) This chapter shall apply to all procurement contracts made by governmental bodies whether the consideration for the contract is cash, revenues, realizations, receipts, or earnings, any of which the State receives or is owed; in-kind benefits; or forbearance; provided that nothing in this chapter or rules adopted hereunder shall prevent any governmental body from complying with the terms and conditions of any other grant, gift, bequest, or cooperative agreement.

(b) Notwithstanding subsection (a), this chapter shall not apply to contracts by governmental bodies:

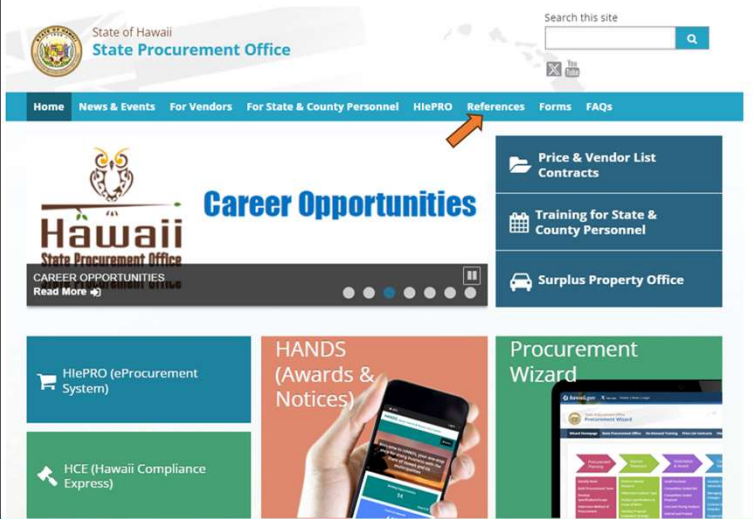
- (1) Solicited or entered into before July 1, 1994, unless the parties agree to its application to a contract solicited or entered into prior to July 1, 1994;
- (2) To disburse funds, irrespective of their source:
  - (A) For grants as defined in section 42F-101, made by the State in accordance with standards provided by law as required by article VII, section 4, of the state constitution; or by the counties pursuant to their respective charters or ordinances;
  - (B) To make payments to or on behalf of public officers and employees for salaries, fringe benefits, professional fees, or reimbursements;
  - (C) To satisfy obligations that the State is required to pay by law, including paying fees, permanent settlements, subsidies, or other claims, making refunds, and returning funds held by the State as trustee, custodian, or bailee;
  - (D) For entitlement programs, including public assistance, unemployment, and workers' compensation programs, established by state or federal law;
  - (E) For dues and fees of organizations of which the State or its officers and employees are members, including the National Association of Governors, the National Association of State and County Governments, and the Multi-State Tax Commission;
  - (F) For deposit, investment, or safekeeping, including expenses related to their deposit, investment, or safekeeping;
  - (G) To governmental bodies of the State;
  - (H) As loans, under loan programs administered by a governmental body; and
  - (I) For contracts awarded in accordance with chapter 103F;
- (3) To procure goods, services, or construction from a governmental body other than the University of Hawaii bookstores, from the federal government, or from another state or its political subdivision;

[https://www.capitol.hawaii.gov/hrscurrent/Vol02\\_Ch0046-0115/HRS0103D/HRS\\_0103D-0102.htm](https://www.capitol.hawaii.gov/hrscurrent/Vol02_Ch0046-0115/HRS0103D/HRS_0103D-0102.htm)

53



## Where are Procurement Exemptions for HAR Chapter 3-120-4 “Exhibit A” Listed



54

**SPOCON 2024**

State of Hawaii  
**State Procurement Office**

Search this site

Home News & Events For Vendors For State & County Personnel HlePRO **References** Forms FAQs

Home » References

**REFERENCES**

Hawaii Revised Statutes	Hawaii Administrative Rules	Procurement Circulars
Procurement Directives	Reports	

55

**SPOCON 2024**

State of Hawaii  
**State Procurement Office**

Search this site


Home News & Events For Vendors For State & County Personnel HlePRO References **Forms** FAQs

Home » References » Hawaii Administrative Rules

**HAWAII ADMINISTRATIVE RULES**

Goods, Services & Construction	Health & Human Services	Proposed Hawaii Administrative Rules
--------------------------------	-------------------------	--------------------------------------

56



State of Hawaii  
State Procurement Office

Search this site

Home News & Events For Vendors For State & County Personnel HiePRO References Forms FAQs


Home » References » Hawaii Administrative Rules » Goods, Services & Construction

### GOODS, SERVICES & CONSTRUCTION


Chapter	Title	Updated Sub-chapter, Section, Attachment or Exhibit	Effective Date	Other Links
3-120	General Provisions		08/24/2009	<a href="#">Ramseyer</a>
		<a href="#">Section 3-120-4 and Exhibit A</a>	08/21/2016	<a href="#">Ramseyer</a>
3-121	Procurement Organization		08/24/2009	<a href="#">Ramseyer</a>
3-122	Source Selection and Contract Formation		03/21/2008	
		<a href="#">Sections 3-122-14 and 3-122-66</a>	08/21/2016	<a href="#">Ramseyer</a>

<https://spo.hawaii.gov/wp-content/uploads/2013/11/Section-3-120-4-and-Exhibit-A-2.pdf> ; Go to Pages 5 and 6

57



## Where to find Justifications for HAR 3-120-4 Procurement Exemptions



State of Hawaii  
State Procurement Office

Search this site

Home News & Events For Vendors For State & County Personnel HiePRO References Forms FAQs

Price & Vendor List Contracts  
Training for State & County Personnel  
Surplus Property Office

HiePRO (eProcurement System)  
HANDS (Awards & Notices)  
Procurement Wizard  
HCE (Hawaii Compliance Express)

**FOCUSES**  
Terms of Use  
Accessibility  
Privacy Policy


**INTERACT**  
Contact Us  
Site Feedback  
FAQs

**ABOUT US**  
About SPO  
Chief Procurement Officers

**BOARDS & COUNCILS**  
Procurement Policy Board

808-265-0254  
state.procurement.off@hawaii.gov

58



State of Hawaii  
State Procurement Office

Home News & Events For Vendors For State & County Personnel HiePRO References Forms FAQs

Home » Procurement Policy Board

### PROCUREMENT POLICY BOARD

The five-member Procurement Policy Board (PPB) adopts, amends, or repeals, administrative rules to carry out and effectuate the purpose and provisions of [Chapter 103D, Hawaii Revised Statutes \(HRS\)](#), governing the procurement, management, control, and disposal of any and all goods, services, construction, and [Chapter 103F, HRS](#), for the purchase of health and human services. Considers and decides on matters of policy, including those referred to it by a chief procurement officer; audits and monitors the implementation of its rules and the requirements of its statutes.

Sections [103D-201](#), [103D-202](#), and [103F-106](#) of the HRS provide for the creation and membership, and the authority and duties of the board. The board members shall be subject to the requirements of [Section 26-34, HRS](#).

- [Board Members](#)
- [Meeting Agenda and Minutes](#)
- [Office of Information Practices](#)


Email: [procurement.policy.board@hawaii.gov](mailto:procurement.policy.board@hawaii.gov)

**PROCUREMENT POLICY BOARD**

No upcoming events

[View all events](#)

59



State of Hawaii  
State Procurement Office

Home News & Events For Vendors For State & County Personnel HiePRO References Forms FAQs

Home » Procurement Policy Board » Procurement Policy Board Meeting Agenda & Minutes

### PROCUREMENT POLICY BOARD MEETING AGENDA & MINUTES

**PROCUREMENT POLICY BOARD**

No upcoming events

[View all events](#)

**Location of Meetings**

**Physical Location** - Kalanimoku Building, 1151 Punchbowl Street, Room 410, Honolulu, is available to the public and is guaranteed to be connected to the remote virtual meeting.

**Zoom: Link to join is in Agenda and meeting date below**

In the event that audiovisual communication cannot be maintained by all participating board members and quorum is lost, the meeting will automatically be recessed for 30 minutes, during which time an attempt to restore audiovisual communication will be made. If such attempt to restore is unsuccessful within said 30 minutes, all board members, members of the public, staff and other interested individuals shall log on again to the Zoom link on this Notice, whereby audio communication will be established for all participants and the meeting will continue. If reconvening the meeting is not possible because audio and visual communication cannot be re-established, the meeting will be terminated.

**Agenda Notification**

Please email [procurement.policy.board@hawaii.gov](mailto:procurement.policy.board@hawaii.gov) to be added on the agenda notification list.

**Written Testimony**

Written testimony may be submitted by one of the methods listed below:

- By email to: [procurement.policy.board@hawaii.gov](mailto:procurement.policy.board@hawaii.gov)
- By United States Postal Service to: 1151 Punchbowl Street, Room 416, Honolulu, HI 96813
- By facsimile to: (808) 587-4703

Written testimony will only be accepted for the items listed on the meeting agenda. Written public testimony submitted to the Procurement Policy Board will be treated as public record and any information contained therein may be available for public inspection and copying.

Please include the word "Testimony" and the subject matter following the address line.


Date	Agenda	Minutes
------	--------	---------

60



September 18, 2008	<a href="#">September Agenda</a> (PDF)	<a href="#">August Minutes</a> (PDF)
August 21, 2008	<a href="#">August Agenda</a> (PDF)	<a href="#">September Minutes</a> (PDF)
July 17, 2008	<a href="#">July Agenda</a> (PDF)	<a href="#">July Minutes</a> (PDF)
June 19, 2008	<a href="#">June Agenda</a> (PDF)	<a href="#">June Minutes</a> (PDF)

61



**SUMMARY  
PROCUREMENTS EXEMPT FROM CHAPTER 103D, HRS  
HAR 83-120-4**

No.	EXEMPTION	JUSTIFICATION	SPO RECOMMENDATION	COMMENTS RECEIVED 7/17/08 PFB Meeting
1	Research, reference, and "educational materials" including books, maps, periodicals, and pamphlets, which are published, "or available" in print, video, audio, magnetic, or electronic form, "including web-based databases".	Requested by the Dept. of Education, Hawaii State Public Libraries Systems, University of Hawaii, and Dept. of Public Safety Flexibility is essential to facilitate innovativeness or matching of teaching material to the environment and people involved; to get the latest books and related materials to the public in the best possible manner. Publishing companies as an industry norm do not sell to jobbers for resale. A similar exemption in HRS §103D-102(b) (4)(C) lacks sufficient coverage; this HAR exemption is more inclusive (added "educational materials" and "web-based databases").	This exemption is supported by law, and provides clarity with the added language. Recommend the continuation of this exemption.	AC - supports SPO recommendation. E&F, ELTF - supports SPO recommendation. Educational materials must be obtained on an ongoing basis for the education of its board members and staff. C&C of Hanalei - retain the exemption. Materials are selected based on specific information necessary for the agency to accomplish their mission. DCCA - supports SPO recommendation. The DCCA depends on the most current, thorough, and most accurate resources and reference materials. Procuring those resources through competitive means would be impractical and seriously curtail the DCCA's efforts and abilities to protect the public. DOE - supports SPO recommendation. Schools need to select and obtain educational materials that best fit within their established curriculum and programs. Obtaining educational materials through competitive means may result in materials not best suited for educators and students. DOH, HHSC - supports SPO recommendation. DLNR - retain the exemption. The Commission on Water Resource Management must have the highest quality of water resource materials, research, educational materials, and database standards to provide the best available information to the public, and to make informed critical decisions. It is vital the Commission retains the option of choosing the materials that best fit its needs, regardless of vendor. DOT - supports SPO recommendation. This exemption is necessary for the purchase of various trade publications, and training and testing materials for the various functions within the department.
7/17/08		1		


  

No.	EXEMPTION	JUSTIFICATION	SPO RECOMMENDATION	COMMENTS RECEIVED 7/1/08 PFB Meeting
2	Services of printers, rating agencies, support "facility providers", fiscal and paying agents, and registrars for the issuance and sale of the State's or counties' bonds.	Requested by the Dept. of Budget and Finance. The nature of the types of procurements and time constraints involved, prevent agencies from using the competitive process. When the approval to issue a bond is received, the services of agents, rating agencies, printers, etc. need to be expedited to get the bond out on the market. A similar exemption in HRS §103D-102(b)(4) (i), refers to "support facilities". The definition of a "support facility" is an irrevocable letter of credit, surety bond or agreement issued by one or more support facility providers. The definition of "support facility provider" is a bank, trust	This exemption is supported by law, and provides clarity with the added language. Recommend the continuation of this exemption.	

<https://spo.hawaii.gov/wp-content/uploads/2013/12/July-Agenda2.pdf> ; Go to Page 18 of 35

62

**SPOCON 2024**




## When is a CPO Approved Procurement Exemption (PE) necessary

(L) Any other goods or services which the policy board determines by rules or the chief procurement officer determines in writing is available from multiple sources but for which procurement by competitive means is either not practicable or not advantageous to the State; and

- When HOPA determines that a situation exists for **a good or service** that is not listed in HRS §103D-102, and HAR Chapter 3-120, and that procurement by competitive means is either **not practicable or not advantageous to the State**
- **HRS §103D-102(b)(4)(L)** gives the CPO authority to approve exemptions for **any other goods or services** that are **not practical and not advantageous** to compete out through the SPO-007 form (for Executive Branch agencies)

63

**SPOCON 2024**



- If the exemption is already pre-approved (**HAR 3-120 Exhibit A**) or already exempt by statute (**HRS § 103D-102**), then PE request will be processed as No Action Required (NAR)


No action is required because training provided Judge Leifman falls into the pre-approved exemption, pursuant to HAR 3-120, Exhibit A – No. 3, which does not require approval of the Chief Procurement Officer.

No Action Required. The Department of Health's pilot cesspool grant program to assist property owners and Hawaiian Home Land lessees to upgrade or convert their failing cesspools is exempted from the procurement code pursuant to HRS § 103D-102 (b)(2)(A).

There is no action required, since the purchase of services was exempt from the procurement code pursuant to HRS § 103D-102 (b)(3): "To procure goods, services, or construction from a governmental body other than the University of Hawaii bookstores, from the federal government, or from another state or its political subdivision."

64






• If the exemption includes construction, which is not included with “**Any other goods or services**” in **HRS §103D-102(b)(4)(L)**, then the PE request will either be disapproved or processed as No Action Required (NAR)

- PEs involving construction are withdrawn by the agency via email
- When requesting to withdraw, remember to cc: Director on email to SPO

Request is disapproved. Exemption of construction projects are not permitted under the procurement code

Request is returned with no action required as the department has withdrawn the request.


65



## When is an amendment to a Procurement Exemption necessary and how is it done

- **HAR §3-120-5(d)**, “Amendments...that would **change the original scope of the contract**, may only be made with the prior approval of the chief procurement officer”
  - (a)(1) Prior to procurement, HOPAs shall submit a written request to the CPO and certify to the best of their knowledge that the information provided is true and correct;
  - (b) The CPO shall post a copy of the request on an internet site accessible to the public for seven days


66



## Trouble/Hot Spots (that lead to Procurement Violations (PVs))

- Poor planning, too short timelines
- Not obtaining proper approvals
- Failing to provide adequate/appropriate disclosure
- Rendering services without an executed contract
- Failing to extend contracts on a timely basis
- Poor contract administration
- Exceeding the scope of the solicitation
- Exceeding the small purchases threshold
- Parceling


67



## Travel Procurement Violations

- Not obtaining minimum number of required quotes
- Paying for baggage fees, hotel accommodations (without prior Comptroller Approval), and/or personal deviations using the pCard
- Purchasing travel without obtaining prior approval
- For Executive Branch agencies, if payment was already made by pCard, then no after-the-fact payment needs to be requested on the SPO-016 form.

68




## Gas Procurement Violations (PVs)

- **Comptroller Memorandum (CM) No. 2012-19** prohibits purchase of mid 89-grade or premium 92-grade unleaded gasoline
- **Procurement Circular (PC) No. 2016-02** Comptroller makes determination on all policy violations relating CM No. 2012-19, effective 9/21/2015
- For Executive Branch agencies, fill out and send the SPO-016 form, as an attached pdf, to the Comptroller's eSign email ([e-Comptroller@hawaii.gov](mailto:e-Comptroller@hawaii.gov)) for processing
  - Do not send any hardcopies

There is no action required. As indicated in Procurement Circular 2016-02 Delegation of Signature Authority for Procurement Violation on Unauthorized Purchases of Gasoline and Diesel Fuel, approval and signature is delegated to the comptroller.

The agency shall submit the Report of Procurement Violation directly to the Comptroller's Office, pursuant to Procurement Circular No. 2016-02.

69




## Suggestions & Helpful Hints

- Attend training and take refreshers
  - Retake training(s) as corrective action
- Be clear on what you are procuring
  - Don't make it up as you go along
  - Don't use the procurement process to determine your needs; identify your needs first
- Work as a Team
- Have a system of keeping track of contracts
- Be professional
- Ask SPO for assistance/consultation

70

**SPOCON 2024**




## NEW! Updates on CPO Reviews

- Sole source (SS), Procurement Exemption (PE), and Restrictive Specification (RS) requests shall not have a retroactive date prior to CPO's signature/approval, effective 1/19/2024
  - No work or contract should have been started prior to the CPO approval therefore it is not logical to continue approving a retroactive date
  - Only exception would be Contract Extension (CE) requests
- SS amendments should only be changes to the scope of services or an increase in price with the approved term of contract, unless there is a date change
- PE amendments could involve different changes so if there is a date change (i.e., extend the contract before its expiration date), then the CPO will consider approving

71

**SPOCON 2024**



## CPO Approvals to Input into the Contractor Performance Database


- Pursuant to Act 188, SLH 2021, Sole Source (SS) contracts, conducted under HRS 103D-306, are required to submit a copy of the contractor performance form at the completion of the contract term
  - For recurring SS requests, provide a copy of the contractor performance form for the prior approved SS request

Approval is granted for the period 8/6/2024 to 8/5/2025 and is based on the department's representation that Clear Labs Inc is the sole manufacturer and distributor of the CLEAR DX system, along with its corresponding reagents and kits and is the only entity authorized to perform hardware and software updates to the system. This approval is for the solicitation process only and shall not exceed \$260,000. Pursuant to HRS §103D-310(c) and HAR §3-122-112, the procuring officer shall verify compliance (i.e., vendor is required to provide proof of compliance and may use the Hawaii Compliance Express) for all contracts awarded. Copies of the compliance and the award posting are required to be documented in the procurement/contract file.

The award is required to be posted on the Hawaii Awards and Notices Data System (HANDS) pursuant to Procurement Circular PC2019-05. The department is also reminded awards are required to be posted within seven (7) calendar days after the Notice of Award date.

Pursuant to Act 188, SLH 2021, sole source contracts, conducted under HRS 103D-306, are required to submit a contractor past performance form at the completion of the contract term. Refer to Procurement Circular No. 2024-05, *Guidance on Contract Past Performance Database*.

72



- Also, for Contract Extension (CE) requests where contracts for Competitive Sealed Bidding (IFB), under HRS 103D-302, or Competitive Sealed Proposal (RFP), under HRS 103D-303, expired on or after 1/1/2024

**For IFBs:**

Approval is granted for the period 9/1/2024 to 9/30/2024, is for the solicitation process only and the total contract amount (including all extensions) shall not exceed \$527,924.47. Pursuant to HRS §103D-310(c) and HAR §3-122-112 the procuring officer shall verify compliance (i.e., vendor is required to provide proof of compliance and may use the Hawaii Compliance Express) for all contracts awarded. Copies of the compliance and the award posting are required to be documented in the procurement/contract file.

The award is required to be posted on the Hawaii Awards and Notices Data System (HANDS) pursuant to Procurement Circular PC2019-05. The department is also reminded awards are required to be posted within seven (7) calendar days after the Notice of Award date.

Pursuant to Act 188, SLH 2021, competitive sealed bidding contracts, conducted under HRS 103D-302, are required to submit a contractor past performance form at the completion of the contract term. Refer to Procurement Circular No. 2024-05, Guidance on Contract Past Performance Database.


**For RFPs:**

Approval is granted for the period 9/1/2024 to 9/30/2024, is for the solicitation process only and the total contract amount (including all extensions) shall not exceed \$4,527,924.47. Pursuant to HRS §103D-310(c) and HAR §3-122-112 the procuring officer shall verify compliance (i.e., vendor is required to provide proof of compliance and may use the Hawaii Compliance Express) for all contracts awarded. Copies of the compliance and the award posting are required to be documented in the procurement/contract file.

The award is required to be posted on the Hawaii Awards and Notices Data System (HANDS) pursuant to Procurement Circular PC2019-05. The department is also reminded awards are required to be posted within seven (7) calendar days after the Notice of Award date.

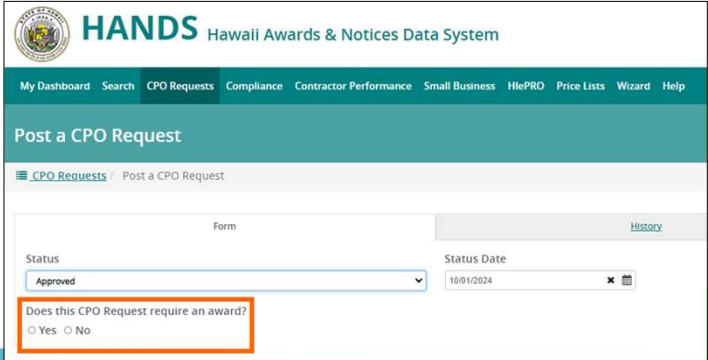
Pursuant to Act 188, SLH 2021, competitive sealed proposal contracts, conducted under HRS 103D-303, are required to submit a contractor past performance form at the completion of the contract term. Refer to Procurement Circular No. 2024-05, Guidance on Contract Past Performance Database.

73




## HANDS CPO Request Reminder Emails

- Frequently approved CPO request awards are not posted, even when it is stated in CPO Comments (Executive Branch)
- Effective 5/28/2024, for all CPO Requests, the SPO Purchasing Specialist (PS) assigned will check a box in HANDS, if an award needs to be posted by the requesting agency



74

**SPOCON**  
2024



- If the CPO request is APPROVED and REQUIRES an award, then the POC(s) listed will get a “CPO Request Determination” email

*CPO Requests that awards need to be posted:*


Subject: CPO Request Determination  
 Aloha <first name><last name>,  
 Your request for review of <type of request><Id number> has a status of approved. Attached is the signed CPO request for your information and records. No hard copies will be sent.

You must create an award for this request within 7 days.

Thank you,  
 Hawaii Awards & Notices Data System (HANDS)  
 Questions about HANDS? Please contact [hands@hawaii.gov](mailto:hands@hawaii.gov) or (808) 586-0554  
 Website: [hands.ehawaii.gov](http://hands.ehawaii.gov)

75

**SPOCON**  
2024



- If the required award has not been posted within 7 days after the first email was sent, then a reminder email to “Create CPO Request Award” will be sent to the POC(s)


Reminder email:

Subject: Reminder: Create CPO Request Award  
 Aloha <first name><last name>,  
 Your request for review of <type of request><Id number> was approved on <approved status date>. This is your reminder that you must create an award within 7 days of the determination.

Thank you,

Hawaii Awards & Notices Data System (HANDS)  
 Questions about HANDS? Please contact [hands@hawaii.gov](mailto:hands@hawaii.gov) or (808) 586-0554  
 Website: [hands.ehawaii.gov](http://hands.ehawaii.gov)

76



Aloha [Buyer's Name],  
Your request for review of <type of request> has a status of approved. Attached is the signed CPO request for your information and records. No hard copies will be sent.


You must create an award for this request within 7 days. **When posting an award notice, please be sure to select "CPO Approval" as the type of notice to award.**


### Post an Award Notice

If you 'Save as Draft' you can find the draft in 'My Records', then continue with the information and post when ready.

1. Go to: hands.ehawaii.gov
2. Login
3. Click 'Post an Award Notice'
4. Select a notice to award. Note: you can use the filters to find the notice you want to award:
  - a. My Notices - this is a list of notices that you posted in HANDS
  - b. Department Notices - this is a list of notices posted by users within your department
  - c. Other Notices - If you posted a notice that was not within the HANDS then you will need to enter the information about the notice to post the award
  - d. CPO Approval - this is a list of cpo requests that have been approved within your department**
  - e. No Notice - This is for an award that did not require a solicitation notice (i.e. pre-approved sole source, or pre-approved exemptions, or SPO-010 over \$2,500, but less than \$15,000)
5. Confirm the category and click 'Continue'
6. Enter all the required information:
  - a. Method of Payment
  - b. Method of Procurement - select from drop down
  - c. Jurisdiction - your jurisdiction will auto-fill
  - d. Department - your department will auto-fill
  - e. Division - select from drop down
  - f. Branch/Office
  - g. Awardee Information

77





## HANDS Hawaii Awards & Notices Data System

My Dashboard Search CPO Requests Compliance Contractor Performance Small Business HlePRO Price Lists Wizard Help 268

### CPO Requests : 1,621 Requests


This page displays the Notices and Requests for CPO (Executive Branch) approvals including: Sole Source, Emergency, and Exempted Procurements. Learn more about CPO Requests on the [Help page](#).

Enter keyword(s)  
  
 Example keywords: vendor/provider name, refuse, IFB-100-SW, Q17000556, Kauai

1,620 Results [Export to Excel](#)

Awarded  
 Marked as  is draft.  
 Show Cancelled (Marked as )  
 Show Archived Requests (Marked as  Archived on 12/31 for the previous fiscal year) [New Request](#)

#### CPO Requests by Type



Type	Color
Exemption 103F	Red
Exemption 103D	Blue
Emergency	Yellow
Crisis	Light Blue
Sole Source	Green
Restrictive	Grey


78




## Help Us, Help You

- In FY2024, SPO processed a total of 585 CPO Reviews
- Average processing times for CPO Requests:
  - Contract Extensions: 6 Days
  - Emergency Procurements: 5 Days
  - Procurement Exemptions: 10 Days
  - Procurement Violations: 12 Days
  - Sole Source: 11 Days

79



## Hawaii Awards & Notices Data System (HANDS)




- For the Executive Branch, prior approved CPO requests are posted on HANDS
  - Be sure to login and check “Show Archived Requests”
- Go to other State Procurement Office websites for awards to see what other States are doing

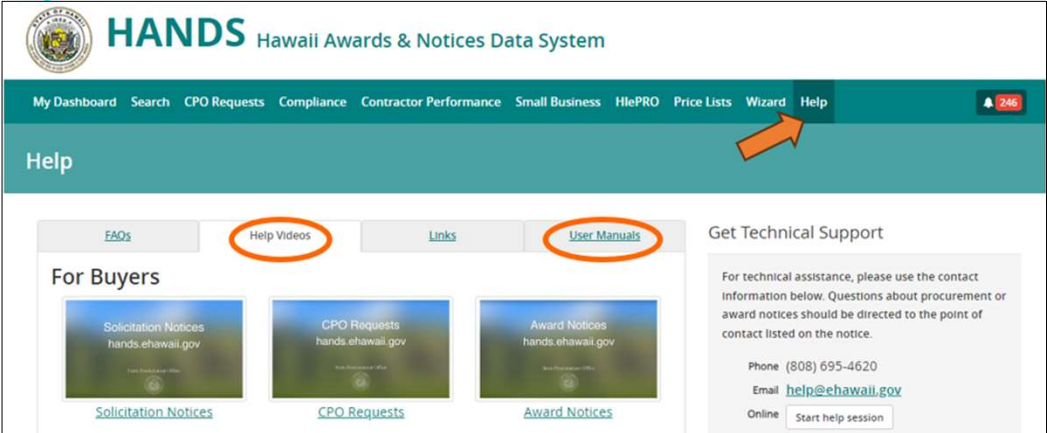
<https://hands.ehawaii.gov/hands/>

80






- If new to submitting CPO Requests on HANDS, then go to the Help tab to find the Help Videos and User Manuals



81



## Procurement Circular No. 2016-01, Amendment 2 – REVISED Digital Procedure for CPO Approval Requests

**PROCUREMENT CIRCULAR NO. 2016-01, Amendment 2**

**TO:** Office of the Governor, Chief of Staff  
Office of the Lieutenant Governor, Chief of Staff  
Executive Department Heads  
Hawaii State Public Library System, State Librarian

**FROM:** Sarah Allen, Administrator *SA*

**SUBJECT:** Revised Procedure for Chief Procurement Officer (CPO) Approval Requests under HRS Section 103D and 103F


Procurement Circular No. 2016-01, Amendment 1, dated 01/04/2016, is replaced by this circular.

Effective November 20, 2017 all requests for Chief Procurement Officer (CPO) approval shall be submitted on the Hawaii Awards and Notices Database System (HANDS). Request submitted by email or hand-delivered will not be accepted.

This will apply to the following SPO forms, which are found at <http://spo.hawaii.gov/all-forms/>.

82

**SPOCON 2024**



## PC2016-01, Amendment 2 Continued – Reminders

Reminders:

1. All CPO reviews should include a scanned form SPO-036, Procurement Delegation and proof of training (i.e. Training Report of Training Self-Certification form(s)).
2. When submitting SPO forms electronically with the department head's electronic signature and not original signature, include the PDF 'audit' form. The audit form (sample attached) is the electronic 'paper trail' of the document showing who created it, who it was sent to, and who signed. Therefore, as of the effective date of this circular or as amended, electronically submitted form shall be provided with the audit form as verification of the department head's signature.

After CPO review, the SPO will email a digital copy of the executed request to the employees listed as point(s) of contact and applicable Administrative Services Office of the department or agency.

83

**SPOCON 2024**



## HRS §489E-7 – Legal Recognition of electronic signatures (eSign)


**[§489E-7] Legal recognition of electronic records, electronic signatures, and electronic contracts.** (a) A record or signature shall not be denied legal effect or enforceability solely because it is in electronic form.

(b) A contract shall not be denied legal effect or enforceability solely because an electronic record was used in its formation.

(c) If a law requires a record to be in writing, an electronic record satisfies the law.

(d) If a law requires a signature, an electronic signature satisfies the law. [L 2000, c 282, pt of §1]

84




## Procurement Circular No. 2019-04 – CPO

### Requests required to be submitted **at least 90 days** prior

PROCUREMENT CIRCULAR NO. 2019-04

TO: Office of the Governor, Chief of Staff  
Office of the Lieutenant Governor, Chief of Staff  
Executive Department Heads  
Hawaii State Public Library System, State Librarian


FROM: Sarah Allen, Administrator 

SUBJECT: Requests for Chief Procurement Officer Approval  
Chapters 103D and 103F

Effective February 1, 2019, all procurement requests for chief procurement officer (CPO) approval shall be submitted to the CPO **at least 90 days prior** to the date of the purchase, term of contract, or expiration of the current contract (with the exception of forms SPO-002-*Emergency Procurement*, SPO-012-*Evaluation: Vendor or Product*, SPO-016-*Report of Procurement Violation: Findings and Corrective Action and/or Request for After-the-Fact Payment*, SPO-035-*Request to Use pCard for Blocked Purchases*, and SPOH-600-*Request for Crisis Purchase of Service Pursuant to section 103F-406, HRS*).

This time requirement allows the CPO sufficient time to review the request and for agencies to execute a contract in a timely manner. SPO has found that many departments are not using their contract logs effectively and thus allowing contracts to end before planning for follow-on actions, placing them in a procurement violation.

85




## PC2019-04 Continued – Required Supporting Documentation to be Submitted

In support of the request, purchasing agencies shall submit the following:

- Justification, i.e., details explaining why goods and/or services are necessary;
- Signed and approved ETS 205 (if applicable for IT hardware/software/services);
- Details of market research conducted;
- Written analysis and determination that price(s) are fair, reasonable;
- Certificate of Vendor Compliance from Hawaii Compliance Express (HCE) for purchases in excess of \$2,500;
- SPO-036 Delegation; and
- Official copy of the training transcript.

86




## PC2019-04 Continued – Additional Required Supporting Documentation to be Submitted

In addition, the following documentation is required:

Form	Title	Additional Supporting Documentation
SPO-001	Notice & Request for Sole Source	Sole source justification letter from the manufacturer or vendor. Sole source requests in excess of one hundred thousand dollars (\$100,000) require Cost or Pricing Data (HAR chapter 3-122, subchapter 15).
SPO-002	Emergency Procurement (after-the-fact)	Copy of the vendor's invoice Federal Emergency Management Agency (FEMA) checklist if requesting reimbursement for declared emergencies
SPO-003	Request for Contract Extension	Copy of the original contract & supplementals
SPO-016	Procurement Violation	Copy of the vendor's invoice
SPO-035	Request to Use pCard for Blocked Purchases	Copy of the signature page of the cardholder agreement and Comptroller approval (if applicable).
SPOH-600	Crisis Purchase of Service (after-the-fact)	Detailed summary of Provider's invoices for all after the fact charges. Federal Emergency Management Agency (FEMA) checklist if requesting reimbursement for declared emergencies

87




## Procurement Circular No. 2019-05 – Award Posting Requirements

- For FY2021, 40% of contract awards were not posted
- Failing to adhere to Procurement Circulars or CPO Comments are Procurement Violations

Awards	POST: Within Seven (7) Calendar Days After the Notice of Award Date	Dollar Threshold or Condition
<b>HRS Chapter 103D - Hawaii Public Procurement Code (Goods, Services and Construction)</b>		
Competitive Sealed Bids (IFB) (Reference: HRS §103D-302)		All awards
Competitive Sealed Proposal (RFP) (Reference: HRS §103D-303)		All awards
Professional Services (Reference: HRS §103D-304) <small>(Shall be posted on Professional Services Awards posting webpage)</small>		All awards
Small Purchase Request for Quotes (RFQ) (Reference: HRS §103D-305)		\$2,500 and above
Sole Source (Reference: HRS §103D-306)		\$2,500 and above
Emergency (Reference: HRS §103D-307)		\$2,500 and above
Exemptions from HRS chapter 103D (Reference: HRS §103D-102)		\$2,500 and above
Amendments, extensions, change orders, supplemental agreements		All Awards (see Notes)
Note 1: <ul style="list-style-type: none"> <li>• HiePRO – all awards, amendments, extensions, change orders, and supplemental agreements are automatically posted in HiePRO.</li> <li>• HANDS – Awards shall be edited for changes, including award amounts, contract term, and contract extension. Final contract amount and term is required to be posted within 60 days after the contract end date.</li> </ul>		
Note 2: <ul style="list-style-type: none"> <li>• When posting on HANDS, user shall list the base period of performance and all optional extension agreed to in the terms of the award.</li> <li>• Users will not be able to 'amend' the award to add any additional options to extend that they forgot to include. Users will only be able to edit the contract term dates.</li> </ul>		

88




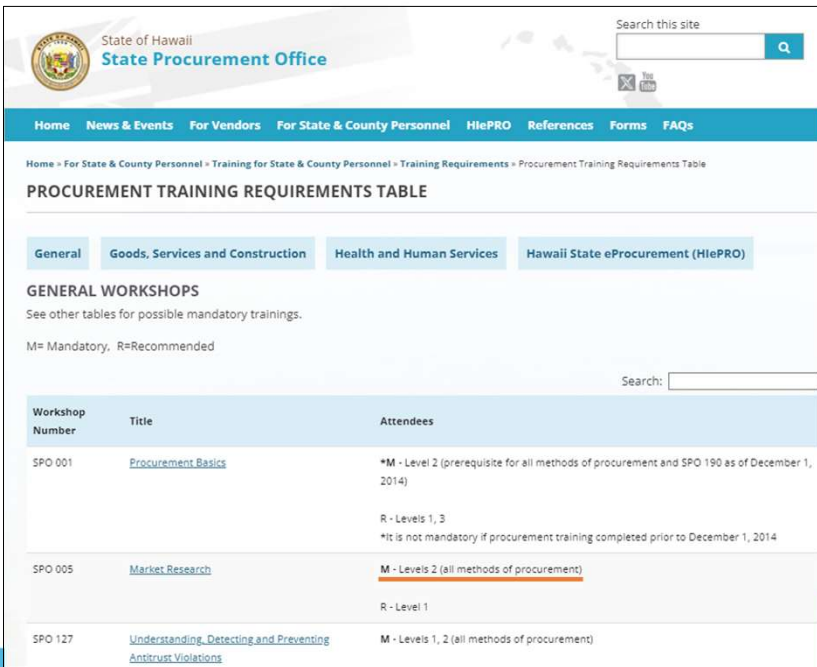
## Procurement Circular No. 2010-05 – Statewide Procurement Training

The State Procurement Office's (SPO) training website provides information to assist departments to determine mandatory and recommended workshop attendance for their procurement personnel. The following information is available at <https://spo.hawaii.gov/>, *Training for State and County Procurement Personnel*:

- Procurement Position Levels;
- Procurement Training Requirements;
- Workshop Descriptions;
- Workshop Schedule and Registration;
- Reference materials for workshop attendees;
- Procurement Training Requirements FAQs; and
- Workshop Attendance Report (Refer to Procurement Circular 2009-03 to obtain access).

89





State of Hawaii  
**State Procurement Office**

Home News & Events For Vendors For State & County Personnel HiEPRO References Forms FAQs

Home > For State & County Personnel > Training for State & County Personnel > Training Requirements > Procurement Training Requirements Table

### PROCUREMENT TRAINING REQUIREMENTS TABLE

General Goods, Services and Construction Health and Human Services Hawaii State eProcurement (HiEPRO)


#### GENERAL WORKSHOPS

See other tables for possible mandatory trainings.  
M= Mandatory, R=Recommended

Search:

Workshop Number	Title	Attendees
SPO 001	<a href="#">Procurement Basics</a>	*M - Level 2 (prerequisite for all methods of procurement and SPO 190 as of December 1, 2014)  R - Levels 1, 3 *It is not mandatory if procurement training completed prior to December 1, 2014
SPO 005	<a href="#">Market Research</a>	M - Levels 2 (all methods of procurement)  R - Level 1
SPO 127	<a href="#">Understanding, Detecting and Preventing Antitrust Violations</a>	M - Levels 1, 2 (all methods of procurement)

90



## Procurement Delegation Memo No. 2022-01 – Delegation of Procurement Authority

**Procurement officers and personnel without written delegated procurement authority and/or who do not complete the applicable mandatory training for HRS chapters 103D and 103F shall not conduct, approve, or participate in the procurement.**

**SECTION 3 - DELEGATES PROCUREMENT AUTHORITY AS PROCUREMENT OFFICER TO CERTIFY (SIGN SPO FORMS)** (Check all that apply) (\*) Requires CPO approval

**HRS chapter 103D - Hawaii Public Procurement Code**

<input type="checkbox"/> SPO-001 Notice and Request for Sole Source*	<input checked="" type="checkbox"/> SPO-010 Record of Procurement
<input type="checkbox"/> SPO-001B Notice of Amendment to Sole Source Contract*	<input type="checkbox"/> SPO-014 Restrictive Specifications Request*
<input type="checkbox"/> SPO-002 Emergency Procurement Request*	<input type="checkbox"/> SPO-015 Use of Alternative Procurement Method*
<input type="checkbox"/> SPO-003 Request for Extension of Time on Contracts*	<input type="checkbox"/> SPO-035 Request to Use Purchasing Card for Blocked Purchases*
<input type="checkbox"/> SPO-004 Notice of No Interest*	<input type="checkbox"/> SPO-050 Notice of Request to Use GSA Schedule 70 (Exceeding \$1M)*
<input type="checkbox"/> SPO-005 SPO Price or Vendor List Contract Purchase Exception	<input type="checkbox"/> SPO-060 Assignment of HANDS Department Administrator/Alternate
<input type="checkbox"/> SPO-007 Notice of and Request for Exemption from Chapter 103D, HRS*	
<input type="checkbox"/> SPO-007B Notice of Amendment to Exemption from Chapter 103D, HRS*	

**HRS chapter 103F - Purchases of Health and Human Services**

<input type="checkbox"/> SPOH-150 Notice of and Request for Exemption from HRS Chapter 103F*	
<input type="checkbox"/> SPOH-300 Request for Alter-the-Fact Secondary Purchase*	
<input type="checkbox"/> SPOH-500 Notice of and Request for Restrictive Purchase of Service*	
<input type="checkbox"/> SPOH-600 Request for Crisis Purchase of Service*	

Note: Only Dept Head is authorized to certify (sign SPO forms): SPO-016, SPO-018, SPO-018A

**SECTION 4 - DELEGATES PROCUREMENT AUTHORITY TO EXECUTE, CONDUCT, PARTICIPATE IN THE VARIOUS PROCUREMENT METHODS, AND TO ACT AS HiePRO APPROVER OR BUYER** (Check all that apply) (\*) Requires CPO approval


Procurement Methods	HiePRO	
	Approver	Buyer
Competitive Sealed Bidding (HRS §103D-302)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Competitive Sealed Proposals (HRS §103D-303)	<input type="checkbox"/>	<input type="checkbox"/>
Professional Services (HRS §103D-304)	<input type="checkbox"/>	<input type="checkbox"/>
Small Purchases (HRS §103D-305)	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Sole Source (HRS §103D-306) *	<input type="checkbox"/>	<input type="checkbox"/>
Emergency (HRS §103D-307) *	<input type="checkbox"/>	<input type="checkbox"/>

Employee conducting procurement:	Procurement Officer approval:
1s Signature _____ Date _____	1s Signature _____ Date _____

FILE A COPY AS SUPPORTING DOCUMENTATION IN THE FILE PROCUREMENT FILE.

SPO-010 (Rev. 02/2019)


91



## HRS §103-53(a) – IRS Tax Clearance from Director of Taxation

**§103-53 Contracts with the State or counties; tax clearances, assignments.** (a) All state and county officers and agents making contracts on behalf of the State or any county shall require, as a prerequisite to entering into these contracts, tax clearances from the director of taxation and the Internal Revenue Service to the effect that all tax returns due have been filed, and all taxes, interest, and penalties levied against the contractor or accrued under title 14 that are administered by the department of taxation and under the Internal Revenue Code have been paid. The director of taxation may waive the Internal Revenue Service tax clearance requirement if the director determines that it is in the best interest of the State.

92



## Procurement Circular No. 2022-11, Amendment 1 – DOTAX Waiver for IRS Tax Clearance


**SUBJECT:** Department of Taxation (DoTAX) Waiver for Internal Revenue Service (IRS) Tax Clearance – Waiver Period Extended

Procurement Circular 2022-11 is amended to extend the DoTAX waiver period. Effective immediately, the DoTAX waiver shall be valid for thirty (30) calendar days from the approved date, instead of 10 (ten) working days.

If DoTAX waives the IRS Tax Clearance, then the purchasing agency may use the Tax Waiver, in conjunction with Hawaii Compliance Express (HCE) documents to prove compliancy, provided the vendor is “Compliant” or “Exempt” with Hawaii DoTAX, Hawaii Department of Commerce & Consumer Affairs, and the Hawaii Department of Labor and Industrial Relations, to satisfy the requirements under chapter 103D-310(c), HRS.

**Note:** DoTAX will consider the IRS tax waiver if the IRS has not responded to the tax clearance request within 30 days.

93



## Comptroller Memorandum No. 2009-14 – Contract Execution Date

**COMPTROLLER'S MEMORANDUM NO. 2009-14**


**TO:** Department Heads

**SUBJECT:** Contract Execution Date

We have received contracts which have been executed (signed and dated) subsequent to the effective date of the agreement. Because the effective date is the date on which the parties agree to start the contract, the effective date should not be prior to the date on which the parties sign off on and fully execute the agreement.

Effective July 1, 2009, DAGS will return all contracts with an effective date prior to the contract execution date to the originating department. Because the State's Attorney General has sole responsibility to determine whether any agreement is a valid agreement, the department must obtain approval of the returned contract as a retroactive contract by the Deputy Attorney General assigned to the department. Upon receipt of this approval, DAGS will process the contract documents and payments. A sample of the memorandum has been attached.

94



## Retroactive Contract Memo (Sample)

DEPARTMENT LETTER HEAD

Date \_\_\_\_\_

**MEMORANDUM**

TO: Name of Deputy Attorney General  
Department of the Attorney General

THROUGH: \_\_\_\_\_, Director

FROM: \_\_\_\_\_  
Business Management Officer/Fiscal Officer


SUBJECT: Retroactive Contract Approval

We request your approval to execute this agreement with \_\_\_\_\_  
\_\_\_\_\_ (contractor) as a "retroactive contract" for the following  
reason:

The agreement is for services that could not be interrupted or delayed.  
Provision of services by the department is required by statute.

The delay between the effective date and the signing of the agreement by  
me was due to \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

95



§3-122-3 Extension of time on contracts. (a) If a contract has exhausted its provision for extension(s) of time of performance, or if the contract does not include a provision for extension(s) of time of performance, the contract may be extended upon approval of the chief procurement officer, provided:

- (1) The period of each extension is for one hundred eighty calendar days or less;
- (2) The procurement officer makes a written determination that it is not practical to award another contract at the time of the expiration of the contract for reasons to include but not be limited to the following:

**NO ACTION REQUIRED.** Section 3.2, Extension of Contract Term, a six (6) month time extension provision exist. Pursuant to HRS §103D-310(c) and HAR §3-122-112, the procuring officer shall verify compliance (i.e. vendor is required to provide proof of compliance and may use the Hawaii Compliance Express) for all contracts awarded. Copies of the compliance and the awards posting are required to be documented in the procurement/contract file.


The award is required to be posted on the Hawaii Awards and Notices Data System (HANDS) pursuant to Procurement Circular PC2019-05 at least seven days after award.

Request is returned with no action required as the department's original contract already has a maximum six (6) months extension clause that exists. Pursuant to HRS §103D-310(c) and HAR §3-122-112, the procuring officer shall verify compliance (i.e., vendor is required to provide proof of compliance and may use the Hawaii Compliance Express) for all contracts awarded. Copies of the compliance and the awards posting are required to be documented in the procurement/contract file.

The award is required to be posted on the Hawaii Awards & Notices Data System (HANDS) pursuant to Procurement Circular PC2019-05. The department is reminded awards are required to be posted within seven (7) calendar days after the Notice of Award Date.

96





## IT Spend Approvals


**IT GOVERNANCE**

ETS' IT Governance (ITG) assists the CIO with developing, implementing, and managing statewide information technology governance. ETS' IT Governance implements and coordinates the governance process required by the [Administrative Directive No. 18-03 – Program Governance and IV&V Requirements for Enterprise IT Projects](#). The state's IT project portfolio governance consists of project phase review gates to ensure project execution and associated expenditures are sufficiently evaluated and receive approval by the appropriate state governing bodies.

The old Form ETS-205, Computer Hardware, Software, or Services Request, was replaced with a workflow enabled by LeanIX, the statewide IT Portfolio Management Tool in September 2021. Refer to section 21.d in the [Governor's Budget Execution Policies](#). To eliminate duplicate data entry and to improve and unify the statewide IT portfolio management, all IT spend requests shall be initiated in LeanIX and approved using the eSign approval workflow. If a department needs additional LeanIX user accounts or further assistance, please contact your departmental IT coordinator.

- For Executive Branch agencies, the CPO requires CPO Requests with IT Spend to have IT Approval before SPO will work on a CPO Request
- In September 2021, ETS-205 was replaced by a LeanIX workflow

97



## Governor's Budget and Execution Policies Section 21d – Information Systems Technology and Telecommunication Services, Facilities, and Resources

**21. Information Systems Technology and Telecommunication Services, Facilities, and Resources.** All IT and telecommunication (TC) services, facilities, and resources are functions of ETS under the authority of the State Chief Information Officer (CIO).

a. ETS shall have general supervision, oversight, and control over the acquisition and utilization of IT and TC facilities and resources within the Executive Branch. All departments within the Executive Branch must follow the provisions of this section, with the exception of UH and HHSC.

b. Applicable statutory provisions, such as Chapters 76 and 103D, HRS, shall be observed by departments and agencies, as applicable.

c. All Telecom Requests (Form ETS-001), regardless of estimated costs, shall be submitted to the Network Branch of ETS for technical review and approval before work can commence.


Telecom Requests may be transmitted electronically to ETS at [ETS.NB\\_TRS@hawaii.gov](mailto:ETS.NB_TRS@hawaii.gov).

d. All IT and TC acquisition requests (hardware, software, projects, maintenance contracts, renewals, consultant services, TC services, IT facilities, other IT products or services, etc.) with estimated costs of **\$100,000 or more require the approval of the CIO or the CIO's designee**. All requests must be part of or in support of the requesting department's IT Applications and Projects Roadmaps and Plans information maintained on the ETS application portfolio management system. ETS requires at least two work weeks advance time to complete its review and recommendation.

Departments must submit the following forms and documentation regarding the proposed IT or TC expenditure to ETS, as appropriate, regardless of procurement method, MOF, type of cost (operating or CIP), budgeted, or unbudgeted:

- IT acquisition requests – IT Spend Request form (portfolio management system project printout) plus supporting documentation as required. Documents may be transmitted electronically to ETS using either the State's eSign workflow (with all the necessary signature blocks included) or through email at [ETS.ITG@hawaii.gov](mailto:ETS.ITG@hawaii.gov).
- TC requests – Form ETS-001 (Telecom Request) plus supporting documentation as required.
- e. IT and TC acquisition requests that meet the following criteria require additional review and approval by the Project Advisory Council, which meets once a month (A.D. No. 18-03, *Program Governance and Independent Verification and Validation Requirements for Enterprise Information Technology Projects*, dated September 25, 2018 (<https://budget.hawaii.gov/wp-content/uploads/2018/10/AD-18-03-Program-Governance-and-Independent-Verification-and-Validation-Requirements-for-Enterprise-IT-Projects.pdf>)):
  - All development and modernization projects specifically identified in legislation or budget bills that require additional oversight; or
  - All projects that require technology resources estimated at \$1,000,000 or greater; or
  - Enterprise projects identified by the CIO, typically those that will leverage business and operational efficiencies and benefits for multiple departments or agencies.
- f. Authority to approve all IT or TC acquisitions with estimated costs that are **less than \$100,000** is delegated to department heads and will not require CIO approval.


98



## Procurement Circular No. 2020-02 – Price Reasonableness Determination

**PROCUREMENT CIRCULAR NO. 2020-02**

**TO:** Executive Branch Department/Agencies (Excluding DOE, UH, and HHSC)

**FROM:** Sarah Allen, Administrator 

**SUBJECT:** Price Reasonableness Determination – Form SPO-055

Effective immediately, all Chief Procurement Officer (CPO) Requests with a requested amount of \$100,000 or greater require submission of form SPO-055, Memorandum for Record (MFR) of Price Reasonableness Determination. The MFR is a tool that can be used as the summary page to attach your cost and pricing analysis. Price analysis is used to ensure that the overall price the State pays is fair and reasonable, and is required to be conducted for all procurements.


**Note 1:** Per HRS 103D-312 and HARs 3-122-121, formal Cost and Pricing Data analysis is required for certain procurements over \$100,000 which may include a level of cost analysis. SPO is NOT asking for formal cost and pricing data unless statutorily required. Rather, we are asking Departments to substantiate the proposed price is fair and reasonable within the respective market.


**Note 2:** All CPO requests over \$100,000 include emergency requests. Why do we ask this for emergencies over \$100,000? Government buyers must ensure Departments are not being gouged in this kind of pricing. This is a step that is required for FEMA reimbursement, so it is a good practice to follow. Governor-approved disaster procurements do not typically move through our SPO office, and therefore depending on the color of money (ie. FEMA matching or reimbursement), might or might not require pricing analysis.

In addition to submitting the SPO-055, agencies are required to attach supporting documentation for the proposed price. Depending on the price analysis method(s) selected, documentation may include but not limited to:

- Proposed prices based on adequate competition-abstracts
- Catalog prices and/or market research on comparable goods/services
- Historical pricing
- Independent government estimates
- Line item cost analysis, and cost realism analysis to obtain an opinion on price Reasonableness

99





State of Hawaii

**State Procurement Office**

Search this site

---

Home
News & Events
For Vendors
For State & County Personnel
HlePRO
References
Forms
FAQs

Home » For State & County Personnel » Disaster Preparedness & Response Procurement


### DISASTER PREPAREDNESS & RESPONSE PROCUREMENT

Disaster can strike anytime, anywhere, and without warning. Damages from a disaster could be minimal and easily handled by first responders or they could be so severe that assistance would be required. These pages contain information for public procurement agencies to use to assist first responders in an emergency crises.

The State Procurement Office in partnership with the Hawaii Emergency Management Agency is requesting that vendors who offer goods, services or construction that could assist during a disaster, to please submit your general information per our published RFI. Please click this link to review: [RFI No. 22010](#).


State Contingency Category List	FEMA Reimbursement	GSA
Hawaii Emergency Management Agency	Emergency Proclamations	Emergency Purchases for COVID-19

100




8	<a href="#">MFR Price</a>	Add to Contract File	Memorandum for Record - an internal memo for the contract file. The Price Fair and Reasonable Determination and Findings Template - Each procurement AND all funding modifications must be found to be price-fair and reasonable to prevent price gouging. Please refer to the following:	All FEMA Grantees and Sub-Recipients
			<a href="#">FEMA Cost and Pricing Guide</a>	
			<a href="#">SPO Pricing Training Video</a>	
			<a href="#">SPO Pricing Training Manual</a>	
			<a href="#">HAR Reference for Allowable Costs (HAR 53-123-2)</a>	

101



MEMORANDUM FOR RECORD PRICE REASONABLENESS DETERMINATION FOR FEMA REIMBURSEMENT	
Declared Disaster Name and Identification Number:	
Buyer Name (Print):	Department:
Solicitation No.:	Date:
Funding Modification No. (if applicable):	
BASIS FOR AWARD <small>(Please Check One)</small>	
<input type="checkbox"/> Competitive - No. of Offers Received:	No. of Responsive/Responsible:
Other source(s) considered:	
<input type="checkbox"/> Sole Source - Attached approved Sole Source Request or Single Responsive Offer Justification/FEMA Emergency Exigency	
<input type="checkbox"/> Exemption - Attach approved Exemption Request. NOTE: This checklist does not apply if procurement falls under HAR chapter 3-120 Exhibit A or HRS 103D-102 - Unless for purposes of Federal Grant requirements under 2CFR200	
FUNDING MODIFICATION	
<input type="checkbox"/> Funding modification pricing is based on actual prices agreed to via the original competed award.	
<input type="checkbox"/> Funding modification pricing is based on prices not negotiated on original competed award.	
PRICE/COST ANALYSIS <small>(Please Select One or More of the Following Methods)</small>	
<input type="checkbox"/> a) Price Analysis: Comparison of proposed prices received in response to the solicitation. Adequate price competition establishes price reasonableness. Analysis of attached pricing information by the offer(s). Supporting documentation required: Attach price abstract.	
<input type="checkbox"/> b) Price Analysis: Comparison of previously proposed prices and previous contract prices with current proposed prices for same or similar items. Both the validity of the comparison and the reasonableness of the previous price(s) have been established. Supporting documentation required: Attach comparative price abstract Previous Solicitation(s) No. (s):	
<input type="checkbox"/> c) Price Analysis: Use of parametric estimating methods/application of rough yardsticks (such as dollars per pound or per horsepower, or other units) to highlight significant inconsistencies that warrant additional pricing inquiry. Supporting documentation required: Attach explanation and associated calculations.	
<input type="checkbox"/> d) Price Analysis: Comparison with competitive published price lists, published market prices of commodities, similar indexes, and discount or rebate arrangements. Supporting documentation required: Attach comparative price abstract/price lists etc. Public price list is published at: The type and date of published price list(s) used:	
PRD	instructions


102



**SPOCON**  
2024

PRICE/COST ANALYSIS	
(Please Select One or More of the Following Methods)	
<input type="checkbox"/>	a) Provide a comparison/analysis of proposed pricing information received by the offer(s) in response to the solicitation. For example, <b>Attachment 3</b> shows a side-by-side comparison of the pricing information and the total sum bid price SPO received from two different vendors, Cenveo and PBF, for the Crystallite Window Envelopes Solicitation.
<input type="checkbox"/>	b) Provide comparison of previously proposed prices and previous <b>contract prices</b> with current proposed prices for same or similar items. Also list the previous Solicitation No. (s). For example, <b>Attachment 1B - Page 2</b> compares three years of pricing information and the total sum bid price SPO received from one vendor, Cenveo, for the Crystallite Window Envelopes Solicitation. The example also shows the price and quantity differences from 2012 to 2013.
<input type="checkbox"/>	c) This pricing method will be explained in the upcoming Cost Analysis Training to be provided by SPO. In the meantime, please refer to the Federal Contract Pricing Guide, Volume 2 which can be accessed via the following link <a href="https://acc.dau.mil/CommunityBrowser.aspx?id=406579">https://acc.dau.mil/CommunityBrowser.aspx?id=406579</a> .
<input type="checkbox"/>	d) Provide comparison with competitive published price lists, published market prices of commodities, similar indexes, and discount or rebate arrangements. Also provide location of where the public price list is published and the type and date of the published price list used. Reference the following attachments as examples: <b>Attachment 4, Page 2</b> provides a sampling of Aiea Copy Center's prices for digital carbonless forms and shows that a savings of <b>more than 20%</b> can be realized when ordering larger quantities. <b>Attachment 5</b> is the GSA Schedule Price List for Office Supplies where numerous vendors are listed. The information provided is for OfficeMax. Page 6 and Page 7 of Attachment 5 shows OfficeMax's Catalog with pricing for 5,922 products. <b>Attachment 6</b> is SPO Price List Contract No. 11-07 which can be accessed via the following link <a href="https://spo.hawaii.gov/wp-content/uploads/2016/10/11-07c38.pdf">https://spo.hawaii.gov/wp-content/uploads/2016/10/11-07c38.pdf</a> . Issuing a Price and Vendor List contract provides agencies the use of the Price List portion with the best prices on the items the State uses the most; while the Vendor List portion adds flexibility as not all individuals prefer to use the exact same supplies.
<input type="checkbox"/>	e) Provide comparison of proposed prices with independent government estimates that are relevant and recent. Refer to the Hawaii State Procurement Office Basic Pricing Class, Section 2.1 and Section 3.2.4.5 which can be accessed via the following link <a href="https://spo.hawaii.gov/procurement-wizard/wp-content/uploads/sites/2/2016/07/CPTTraining-Manual_SPO-2016_0720.pdf">https://spo.hawaii.gov/procurement-wizard/wp-content/uploads/sites/2/2016/07/CPTTraining-Manual_SPO-2016_0720.pdf</a> .
<input type="checkbox"/>	f) Provide comparison of proposed prices with prices obtained through market research for the same or similar items. For example, <b>Attachment 4, Page 1</b> shows the websites that were accessed to conduct market research for the Various State Forms and Non-Printed Carbonless Paper Statewide Solicitation. The table at the bottom of Page 2 also shows that the State received fair and reasonable prices from the awarded vendor in comparison with Aiea Copy Center.
<input type="checkbox"/>	g) Provide cost analysis. Cost analysis is used to establish the basis for negotiating contract prices when price competition is inadequate or lacking altogether and when price analysis, by itself, does not ensure price reasonableness. Refer to <b>FEMA PDAT Field Manual</b> ( <a href="https://www.fema.gov/media-library-data/1419360792322148c312608aabbcc277b9bc411869bdd3/PublicAssistanceGranteeSubaranteeProcurementFieldManual.pdf">https://www.fema.gov/media-library-data/1419360792322148c312608aabbcc277b9bc411869bdd3/PublicAssistanceGranteeSubaranteeProcurementFieldManual.pdf</a> )

103



**SPOCON**  
2024

## Federal Funding – HAR Subchapter 4.5

**Request for Interest** (For Federal Grants) Used prior to applying for the Federal grants where time is limited or economic situations require a “quick” selection process. Criteria determined in RFI.


Approval is granted for the period 9/22/2023 to 9/21/2024 and is based on the department’s representation that the Remote Universal Communications Systems (RUCS) equipment and operating/remote management system are only manufactured, sold, and distributed by Tekniam, LLC.

This request will be approved this one time only as a Sole Source is not the appropriate method to use. Any future RUCS must be procured pursuant to HAR Subchapter 4.5 Source Selection for Federal Grants, if federal grant monies will be used. The department is reminded that if an exemption request is submitted, the vendor’s name shall not be listed in the grant application prior to receiving an approval from the State Procurement Office. **This approval is for the solicitation process only and shall not exceed \$221,515.60.**

Pursuant to HRS §103D-310(c) and HAR §3-122-112, the procuring officer shall verify compliance (i.e., vendor is required to provide proof of compliance and may use the Hawaii Compliance Express) for all contracts awarded. Copies of the compliance and the award posting are required to be documented in the procurement/contract file.

**The award is required to be posted on the Hawaii Awards and Notices Data System (HANDS) pursuant to Procurement Circular PC2019-05. The department is also reminded awards are required to be posted within seven (7) calendar days after the Notice of Award date.**

104



## Read the CPO Comments


- CPO Comments state to procure for the needed good/service, then do not resubmit the same CPO Request; it will be disapproved

This request is disapproved as it lacks justification for an exemption. The department is advised to conduct competitive procurement and shall utilize the applicable method of procurement pursuant to HRS Chapter 103D to procure for the services needed, while affording other potential vendors the opportunity to compete.

The request is disapproved as there are numerous grant management systems available on the market. The agency shall conduct a competitive procurement or utilize Price List Contract No. 13-08, ValuePoint Software Value-Added Reseller (VAR).

This request is disapproved as it lacks sufficient justification for an exemption. There is no further documentation or proof provided that supports the request other than prior networking experience with the vendor. The department shall use the appropriate method of procurement to solicit the goods/services being requested. As there are other vendors that could respond to a competitive solicitation and the State funds being available until 06/30/2022 the option is given to develop and issue a request for proposals to competitively procure the services, thereby following HRS103D-101, for fair and open competition.

105



- CPO approval will be one time only or last time for a CPO request, then be sure to procure

**The request is granted an exemption from HRS §103D since it does not align with sole source criteria.**  
The approval is for the period of 12/01/2023 to 11/30/2024, based on the department's representation that it is not practical or advantageous to conduct a competitive procurement.

This approval is for the solicitation process only, pursuant to HRS §103D-310(c) and HAR §3-122-112, the procuring officer shall verify compliance (i.e., vendor is required to provide proof of compliance and may use the Hawaii Compliance Express) for all contracts awarded. Copies of the compliance and the awards posting are required to be documented in the procurement/contract file.

The award is required to be posted on the Hawaii Awards and Notices Data System (HANDS) within seven (7) calendar days after the notice of award pursuant to Procurement Circular PC2019-05.


This request should have originally been submitted as a crisis purchase request because the services provided fall under Health and Human Services, as defined by HRS §103F-102 and HAR §3-140-101. However, due to the urgent nature of the situation, the State Procurement Office has decided to grant approval and waived the need for resubmittal as a crisis purchase request. This decision was made to prevent leaving the affected individuals without shelter. Any potential follow-up request shall be submitted as a request for crisis purchase.

This approval is for the period 09/3/2023 to 09/29/2023 and is for the procurement process only. Service provider is required to be compliant with applicable laws and may be verified on the Hawaii Compliance Express, if applicable.

This award is required to be posted on the Hawaii Awards & Notices Data System (HANDS).

Pursuant to HAR 3-147-102 (b) "Use limited to current needs only. The crisis purchase of service method of procurement may be used only to purchase the service or services that are necessary to meet the current needs generated by the crisis and not to exceed six months, or upon a written finding of good cause by the chief procurement officer, twelve months. Subsequent requirements shall be obtained using alternate procurement methods, such as the competitive purchase of service method."

106



• CPO approval will be the last time for a CPO request, then be sure to proceed using the appropriate method of procurement

Approval is granted for the period 7/1/2021 to 6/30/2022 with the understanding that the department has determined that it is not practicable or advantageous to procure the services required via traditional procurement methods. This approval is for the solicitation process only, shall not exceed \$174,000, and **will be the last approval granted for these services. The department is advised to proceed with the appropriate method of procurement (i.e. Competitive Sealed Proposals) for these services next year.**


The department is reminded that pursuant to HRS §103D-310(c) and HAR §3-122-112, the procuring officer shall verify compliance (i.e. vendor is required to provide proof of compliance and may use the Hawaii Compliance Express) for all contracts awarded. Copies of the compliance and the awards posting are required to be documented in the procurement/contract file.

The award is required to be posted on the Hawaii Awards and Notices Data System (HANDS) pursuant to Procurement Circular PC2019-05. The department is also reminded awards are required to be posted within seven (7) calendar days after the Notice of Award Date.

Approval is granted for the period from 7/1/2021 to 6/30/2022 for the medical data migration and set-up of the new, upgraded software system **with the understanding that this will be the last approved exemption to complete the project.** This approval is for the solicitation process only. Pursuant to HRS §103D-310(c) and HAR §3-122-112, the procuring officer shall verify compliance (i.e. vendor is required to provide proof of compliance and may use the Hawaii Compliance Express) for all contracts awarded. Copies of the compliance and the award posting are required to be documented in the procurement/contract file.

The award is required to be posted on the Hawaii Awards and Notices Data System (HANDS) pursuant to Procurement Circular PC2019-05. The department is also reminded awards are required to be posted within seven (7) calendar days after the Notice of Award Date.

107



• Conditional CPO Approvals shall state specific instructions to be adhered to; failure to follow them may result in the CPO approval being revoked

Conditional Approval is granted from Date of CPO Approval to 6/30/2026 with the understanding that 1) the department has determined that it is not practicable or advantageous to procure the services required via traditional procurement methods as Aqua Engineers, Inc. will be licensed by the Army, which is required for the contractor to work on the water system at the Dillingham airfield; 2) **contract amount shall not exceed \$600,000;** 3) **term of contract shall not exceed 6/30/2026;** and 4) **no construction is included in this exemption.**

This approval is for the solicitation process only and approval does NOT include construction. Pursuant to HRS §103D-310(c) and HAR §3-122-112, the procuring officer shall verify compliance (i.e., vendor is required to provide proof of compliance and may use the Hawaii Compliance Express) for all contracts awarded. Copies of the compliance and the awards posting are required to be documented in the procurement/contract file.

The award is required to be posted on the Hawaii Awards and Notices Data System (HANDS) pursuant to Procurement Circular PC2019-05. The department is also reminded awards are required to be posted within seven (7) calendar days after the Notice of Award Date.

NOTE: The department is reminded that failure to adhere to the conditions above, shall result with the approval of this request being revoked immediately, upon written notification from the Chief Procurement Officer.


Approval is granted for the period 12/01/23 to 11/30/28 based on the following conditions:

- 1) The RFQ be evaluated by a minimum of 3 government employees,
- 2) The RFQ is based on the revised statement of work and evaluation criteria, for the DHS HANA Modification Project, as emailed on 11/21/2023, and
- 3) the RFQ not be limited to Hawaii vendors only. This is for the solicitation process only and shall not exceed \$25,000,000.

The department is reminded that pursuant to HRS §103D-310(c) and HAR §3-122-112, the procuring officer shall verify compliance (i.e., vendor is required to provide proof of compliance and may use the Hawaii Compliance Express) for all contracts awarded. Copies of the compliance and the awards posting are required to be documented in the procurement/contract file.

The award is required to be posted on the Hawaii Awards and Notices Data System (HANDS) pursuant to Procurement Circular PC2019-05. The department is also reminded awards are required to be posted within seven (7) calendar days after the Notice of Award Date.

108



• **IMPORTANT:** Post the award and verify the vendor’s compliance


Approval is granted from 9/1/2024 to 6/30/2025 with the understanding that the department has determined that it is not practicable or advantageous to procure the services required via traditional procurement methods. This approval is for the solicitation process only and shall not exceed \$750,000. Pursuant to HRS §103D-310(c) and HAR §3-122-112, the procuring officer shall verify compliance (i.e., vendor is required to provide proof of compliance and may use the Hawaii Compliance Express) if an organization is awarded more than \$2,500. Copies of the compliances and the award postings are required to be documented in the procurement/contract file.

The award is required to be posted on the Hawaii Awards and Notices Data System (HANDS) pursuant to Procurement Circular PC2019-05. The department is also reminded awards are required to be posted within seven (7) calendar days after the Notice of Award Date.

Approval is granted for the period of 9/1/2024 to 8/31/2025, with the understanding that the department has determined that it is not practicable or advantageous to procure the goods required via traditional procurement methods. This approval is for the solicitation process only and shall not exceed \$99,928.00. Pursuant to HRS §103D-310(c) and HAR §3-122-112, the procuring officer shall verify compliance (i.e., vendor is required to provide proof of compliance and may use the Hawaii Compliance Express) for all contracts awarded. Copies of the compliance and the awards posting are required to be documented in the procurement/contract file.

The award is required to be posted on the Hawaii Awards and Notices Data System (HANDS) pursuant to Procurement Circular PC2019-05. The department is also reminded awards are required to be posted within seven (7) calendar days after the Notice of Award Date.


109



“IF in doubt, GOOGLE IT!!”

**THINK QUALITY!**


**IF IN DOUBT  
CHECK IT OUT**



**THINK QUALITY!**

**OUR  
CUSTOMERS  
DEPEND ON US!**

When Life Gives You Questions.




has answers

Google Search    I'm Feeling Lucky

FBProfileCovers.com

110



**SUMMARY**

- Visit the State Procurement Office (SPO) webpage at: <http://spo.hawaii.gov> for procurement related information
- Help Us, Help You!!
- If in Doubt, GOOGLE IT!!
- Do NOT be afraid to ask questions
- Contact Us:
  - Stacey Kauleinamoku at (808) 586-0571 or [stacey.l.kauleinamoku@hawaii.gov](mailto:stacey.l.kauleinamoku@hawaii.gov)
  - Jittima “Jah” Laurita at (808) 586-0766 or [jittima.laurita@hawaii.gov](mailto:jittima.laurita@hawaii.gov)
  - Christopher Amandi at (808) 587-4706 or [christopher.j.amandi@hawaii.gov](mailto:christopher.j.amandi@hawaii.gov)