# State Procurement Office

## OVERVIEW

Hawaii Public Procurement Code,

**HRS Chapter 103D**

and

Purchases of Health and Human Services,

**HRS Chapter 103F**

# State Procurement Office

## Organization

- Administrator, State Procurement Office (SPO)
- Chief Procurement Officers (CPO) for 21 jurisdictions:
  - Legislature: House & Senate
  - Judiciary
  - Office of Hawaiian Affairs (OHA)
  - University of Hawaii
  - Department of Education (DOE)
  - Hawaii Health Systems Corporation (HHSC)
  - Executive Departments
    - Administrator of SPO
  - Counties: Finance, Council, Water Supply, HART
- Procurement Policy Board – 7 member board

## State Procurement Office
### Procurement Delegation

- The Chief Procurement Officer (CPO) serves as the central procurement officer for its jurisdiction, and may delegate this authority.
- For Executive Branch departments, the CPO (Administrator of the SPO) has delegated procurement authority to each Department Head.
  - Each Department Head may further delegate procurement authority.
  - Written delegation by each Department Head is on file with the State Procurement Office.

## State Procurement Office

**Hawaii Public Procurement Code** (HRS chapter 103D)

- Shall apply to all procurements for the buying, purchasing, renting, leasing, or otherwise acquiring any good, services, or construction. Includes inventory management and surplus property management.

**Purchases of Health & Human Services** (HRS chapter 103F)

- Shall apply to contracts for direct services to communities, families, or individuals which are intended to maintain or improve health or social well-being.

## State Procurement Office

### HRS Chapter 103D

- **Methods of Source Selection:**
  - Small Purchase
  - Sole Source
  - Emergency
  - Competitive Sealed Bids
  - Competitive Sealed Proposals
  - Professional Services
- **Exempt procurements**

### HRS Chapter 103F

- **Methods of Source Selection:**
  - Small Purchase
  - Restrictive
  - Crisis
  - Competitive Proposals
  - Treatment Purchases
- **Exempt procurements**

## State Procurement Office

### Services Provided to Departments

- Purchasing:
  - Competitive Sealed Bidding (IFB)
  - Competitive Sealed Proposals (RFP)
  - Price/Vendor Lists and WSCA contracts
- Inventory Management
- Surplus Property
- HRS chapter 103F planning, guidance, policies and procurement
- Procurement Training
- Assistance on procurements related issues and questions

## State Procurement Office
### Initiatives

- **Purchasing Card (pCard)**
  - Increases efficiency for the state & business community
  - Authorizes purchasing personnel to pay with a bank issued credit card
  - Reduces the number of purchase orders issued and processed
  - Vendor receives payment within days from the bank, rather than from the State within 30 days
- **eProcurement**
  - Increases competition & transparency
  - Automates the procurement system
  - Collects comprehensive expenditure data
  - Reduces the procurement cycle time
  - Reduces the cost of procured goods and services

## State Procurement Office
### PROCUREMENT CODE BENEFITS

- Provde increased economy in procurement activities and maximize **best value** to the fullest extent practicable
- Ensure fair and equitable treatment of all persons who deal with procurement – vendors and purchasing agencies
- Foster broad based competition
- Provide safeguards for the maintenance of a procurement system of quality and integrity
- Increase public confidence in the procurement processes
- Protect against abusive practices
- Does not limit agency autonomy

## State Procurement Office

### "Trouble / Hot Spots"

- Exceeding small purchase threshold
- Small purchase parceling
- Using "emergency procurement" inappropriately
- Procurement should not be used to circumvent the personnel hiring process/procedures
- Avoid seeking after-the-fact approval
- Failing to provide adequate/appropriate disclosure

## State Procurement Office

### Suggestions & Helpful Hints

- Ask for assistance
- Check with SPO
- Don't make it up as you go along
- Need training – just ask
- Be clear on what you are buying
- Uncertain if meeting procurement requirements, call to discuss or submit a draft for SPO review
- Don't use the procurement process to determine your needs; identify your needs first
- We're here to help and support your programs, not to block your efforts