

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

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

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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.
- The written delegation by each Department Head is on file with the State Procurement Office.

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Hawaii Public Procurement Code (Ch. 103D)

- Applies 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 and Human Services (Ch. 103F)

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

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Hawaii Public Procurement Code

HRS Chapter 103D

- * For Goods, Services, and Construction
- * Applies to State and County agencies
- * **Methods of Source Selection:**
 - ▶ Small Purchase
 - ▶ Sole Source
 - ▶ Emergency
 - ▶ Competitive Sealed Bids
 - ▶ Competitive Sealed Proposals
 - ▶ Professional Services
- * **Exempt procurements**

Purchases of Health & Human Services

HRS Chapter 103F

- * For Health & Human Services
- * Applies to State agencies; optional for Counties
- * **Methods of Source Selection:**
 - ▶ Small Purchase
 - ▶ Restrictive
 - ▶ Crisis
 - ▶ Competitive Proposals (RFPs)
 - ▶ Treatment Purchases
- * **Exempt procurements**

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SPO Services Provided to Departments

- ☛ HRS Chapter 103D Purchasing:
 - ▶ Competitive Sealed Bidding (IFB)
 - ▶ Competitive Sealed Proposals (RFP)
 - ▶ Price/Vendor Lists, WSCA contracts
- ☛ Inventory Management & Excess Property
- ☛ Surplus Property Management (Federal & State)
- ☛ HRS Chapter 103F:
 - ▶ Planning and Guidance
 - ▶ Policies and Procurement
- ☛ Procurement Training
- ☛ Assistance on procurements related issues and questions

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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, directly from the bank.

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

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PROCUREMENT CODE BENEFITS

- Provide 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

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“Trouble / Hot Spots”

- ☞ Exceeding small purchase threshold
- ☞ Small purchase parceling
- ☞ Using “emergency procurement” inappropriately
- ☞ Using Procurement to circumvent the personnel hiring process/procedures
- ☞ Seeking after-the-fact approval
- ☞ Failing to provide adequate/appropriate disclosure
- ☞ Rendering services without an executed contract
- ☞ Failing to extend contracts on a timely basis

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Suggestions & Helpful Hints

- ✔ Good Planning and Management make successful contracts
- ✔ Ask for assistance or training
- ✔ Check with SPO
- ✔ Don't make it up as you go along
- ✔ Be clear on what you are buying. Don't use the procurement process to determine your needs; identify your needs first (see Requests for Information - RFI)
- ✔ Uncertain if meeting procurement requirements, call to discuss or submit a draft for SPO review
- ✔ SPO is here to help and support your programs, not to block your efforts