State Procurement Office

Hawaii eProcurement System

HePS
Basic Buyer Training

SPO Workshop No. HePS 100

Part 1 of 3

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Who this Workshop is For
and What it is Intended to Do

- This workshop is designed for state personnel who:
  - Have written delegated authority to procure and procure on HePS; and
  - Have taken the required workshops for the method of procurement; or
  - Are current HePS users in need of a refresher; or
  - Are HePS buyers who have not used HePS in 13 months, have not conducted a solicitation in 2 years or have never used HePS; or
  - Are Department or Jurisdiction HePS Administrators
- This workshop will:
  - Teach the basic mechanics of placing a small purchase RFQ on HePS;
  - Provide a refresher for those who have not procured on HePS in awhile; and
  - Assist you in taking advantage the resources on the SPO website.
- This workshop is not intended to:
  - Teach you everything you need to know about procurement, awards, or contracting/contract administration. (There isn't enough time.) You must take the appropriate workshops for the method of procurement and the function.
  - Serve as a review of how to conduct all procurements.

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HePS Basic Buyer Training - Section 1

What will be Covered

- Housekeeping - webinars
- A little background on eProcurement
- Buyer Responsibilities
- The different functions in HePS
- Before you start your HePS solicitation
- Creating a Requisition and Solicitation
- Release the solicitation to the internet
- (If time allows) Amend a solicitation - addenda
- Q & A

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Registering for Workshops
on the New SPO Website

1. Registration is online only. Training Schedule & Registration:
   - http://hawaii.gov/spo
   - Click Training and Informational Sessions
   - Click Training for State and County Personnel
2. Scroll and select the date of the workshop you wish to attend; follow the instructions for registering.

- For webinars, this will be the link to registering on the webinar site.
- If you are attending a webinar as part of a group:
  - Register on the webinar site.
  - Be sure everyone in the group completes/signs the webinar group attendance form and ensure it is submitted per instructions.

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Registration for HePS 100 and HePS 301

- If you are not already a HePS buyer, you must obtain permission from your Department HePS Administrator to attend.
- You must have written delegated authority to procure and to procure on HePS.
- You may obtain an account (Login/Password) only from your Department HePS Administrator. SPO does not provide HePS accounts. HePS Dept. Administrators:
  - http://hawaii.gov/spo
  - For State and County Personnel
  - Department and CPO Jurisdiction Administrators, Managers or Contacts for SPO Programs

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About SPO Webinars

- Participation encouraged.
- If we cannot get to all your questions we will provide answers at a later date (FAQ, etc.)
- If there is more than one person participating at a single computer.
  - **Everyone registers on the webinar site** for webinars.
  - All attendees in the group (including the person who logs in to the webinar) complete and sign the SPO Webinar Group Attendance form; scan it in and send it to: spo.training@hawaii.gov
  - **Send it in within 1 working day of the webinar**
  - The SPO Webinar Group Attendance form is on the SPO training schedule along with the training references. http://hawaii.gov/spo click **Training and Informational Sessions** and then **Training for State and County personnel**
  - **DO NOT send in the signed form prior to the workshop.**

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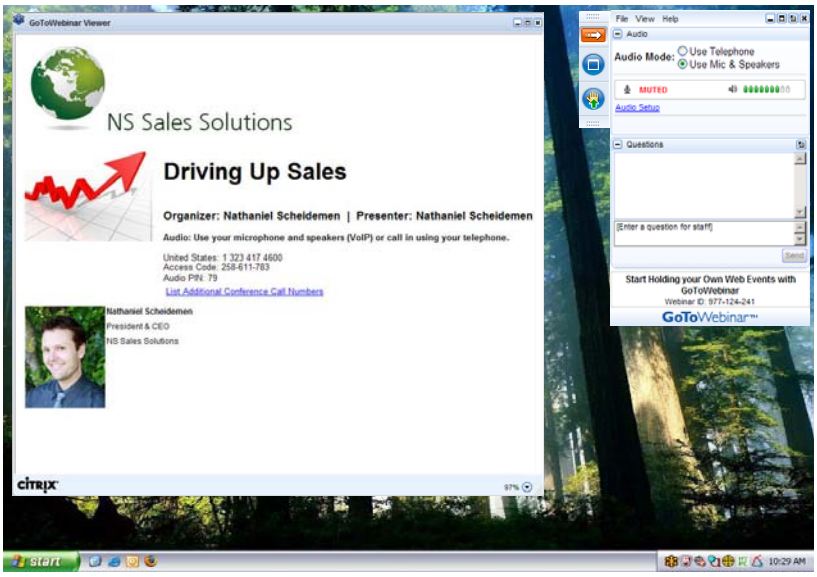
The GoToWebinar Attendee View



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Webinar Viewer Window

- Having trouble seeing?
  - Maximize your viewer window; and/or
  - Increase the magnification in your viewer window (in lower right corner.)

- To exit full screen - GTW (GoToWebinar) control panel menu
  - click the button with the square on the tab or
  - View > window
- Note: Attendee Quick Reference is available
  - http://hawaii.gov/spo
  - Click **Training for State and County Procurement Personnel**
  - Click **About SPO Webinars** or wherever '**webinar**' is a link
  - Click **FAQs and Quick Reference**

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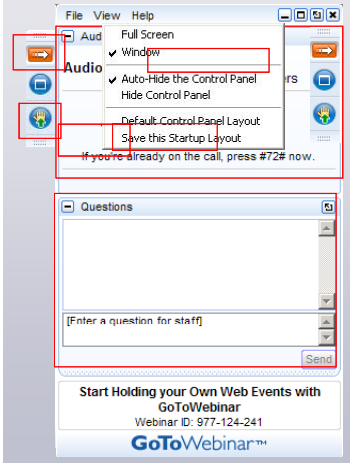
How to Participate Today



- Open and close your Panel
- View, Select, and Test your audio
- Submit text questions
- Raise your hand
- Q&A addressed at the end of today's session

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Before You Procure/Administer a Contract:
Written Delegated Authority and Training

Before you develop/draft/participate in a solicitation, review, approve, conduct, manage, or administer a procurement/contract, you must:

- **Have written delegated authority per signed and submitted (to SPO) Form SPO-036.**
  Note: See Procurement Delegation Memorandum 2010-01, as amended. Previous forms are no longer in effect.
  - http://hawaii.gov/spo
  - For State & County Personnel
  - Required Procurement Delegation Authority (there is also a link to the required (mandatory) training requirements site)
- **Have taken all required training.**
  Reference: Procurement Circular 2010-05 as amended
  Note: Some requirements have changed. Check the website periodically.
  - http://hawaii.gov/spo
  - Training and Informational Sessions > Training for State and County Personnel
  - Training Requirements: Which Workshops Do I Need to Take?

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Prerequisite for Procuring Required (Mandatory) Training

- In addition to delegated authority , you must also take all required training.
  - See http://hawaii.gov/spo
  - Training & Informational Sessions
  - Training & Informational sessions for State & County Personnel
  - Training Requirements: Which Workshops Do I Need to Take?
- Step by Step guidance.
- Across the top of the Training Requirements table, look for Method of Procurement you are going to conduct or in which you participate. Look down the column.
- Ensure you take all workshops with an **M** (Mandatory) before you procure/participate in a procurement.

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About HePS 100 HePS Basic Buyer Training

- This is a 3-part workshop.
- All sections must be taken consecutively, that is, in the 3 day sequence.
  - Workshops are offered about once per quarter.
  - You will forget if you take one part and not the others.
- Exceptions:
  - If you have already taken HePS 100 (all 3 sections or previous versions) **and**
  - You have used HePS in the past year but want a refresher on certain sections); **or**
  - You are a HePS Department Administrator

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About HePS 100
Who Should Attend this workshop and When

- Only Buyers and HePS Administrators need to take this workshop.
- Approvers or Supervisors would benefit from:
  - For Approvers: Basics, Refresher and Beyond (required for Approvers)
  - HePS for Supervisors
  - Understanding Approvals in HePS
  - Understanding HePS
- This workshop teaches the **details** of how to place a solicitation on HePS. It is not an overview.

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Methods of Procurement

Method	Bases for Use	Bases of Award
Competitive Sealed Bids	Always used unless it is not feasible or practicable.	Lowest responsive, responsible bid.
Small Purchases	Purchases of smaller quantities for goods and services of less than $100,000 and construction less than $250,000.	Lowest responsive, responsible quotation.
Competitive Sealed Proposals	Competitive sealed bidding is not practicable; price is not the most critical factor.	Based on RFP evaluation criteria.
Multi-step Bid	Used when pre-qualification of offerors necessary before considering price.	Lowest bidder of qualified offerors.
Sole Source	Only one source for the required good, service, or construction.	Approved single source at agreed prices.
Emergency	Used to respond the needs that are immediate and serious that are a threat to life, public health, welfare, or safety.	Lowest responsive and/or responsible offeror.
Professional Services	Professional services as defined in rules and statutes.	Qualified respondent that meets determined criteria; prices are agreed to.
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.

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About HePS Workshops and Procurement Methods

- After completing all 3 sections of HePS 100 you may issue Small Purchase method of procurement solicitations (aka Small Purchase Request for Quotes or RFQs) on HePS **provided** you have completed all required workshops for the Small Purchase procurement method and have written delegated authority.
- In order to issue Competitive Sealed Bids (aka IFBs or RFBs), you must take HePS 100, HePS 301 and all required workshops for the Competitive Sealed Bid method of procurement.
- Small purchase RFQs and Competitive Sealed IFBs are different functions in HePS and you must select the correct function when creating your solicitation. If you use the wrong function: for instance, issue an IFB using the RFQ function, you will need to cancel and re-issue.

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About Public Sector Procurement
Why can't we 'Just Do it'

- We use taxpayer funds;
- Our "shareholders" are the taxpayers (everyone).
- Like the private sector, we want best value **AND** we have additional obligations:

1. We must be open/transparent.
- Everyone has a right to know and have easy access.

2. We must be fair to all qualified vendors.
- Everyone has the right to compete.

3. We ARE accountable.
- Keep an auditable trail. (document, document, document!)
- Follow standardized rules and procedures.
  (Statutes, Administrative Rules, Procurement Circulars, Internal Procedures)

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Background

- HRS 103D-305- Amended by Act 283 SLH 2006
  - Raised small purchase threshold from less than $25,000 to less than $50,000 ***provided*** all purchases between 25,000 and less than $50,000 are conducted on an eProcurement system.
  - Competition. Simplicity. No Parceling.
- Procurement Circular 2006-07, Am 1, Replaced by 2009-15,
  - For executive branch all procurements of $15,000 and above shall be issued through HePS
  - Compliance documents shall be obtained for purchases from $15,000.
  - Then came Act 175 SLH 2009 and Act 190 SLH 2011 …

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*Act 175, SLH 2009

Changes Small Purchases **Temporarily**

- Increased the thresholds from $50,000 to:
  - goods and services: less than $100,000
  - Construction: $250,000
- For construction, performance bond is required for purchases of $50,000 and greater.
- This act was repealed July 1, 2012

- *Reference:*
  Procurement Circulars 2009-07, 2009-14, 2009-15, 2009-16

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Act 190 SLH 2011
and Procurement Circular 2011-02

- Effective, 7/1/11, verification of proof of compliance for Small Purchases of $2,500 is required as indicated in HRS 103D-310 (c)
- Procurement Circular 2011-02 states that acceptable proof shall be via Hawaii Compliance Express.

- *Reference:*
  Procurement Circular 2011-02
  Watch for update of Procurement Circulars 2009-14 and 2009-15)

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Act 173, SLH 2012
Procurement Circular 2012-04
Small Purchases and Performance Bonds for Construction

- Act 173, SLH 2012 established the thresholds for small purchase as
  - goods and services: less than $100,000
  - Construction: $250,000
- For construction, performance bond is required for purchases of $50,000 and greater.
- Instructions for the Procurement Circular also changed the posting requirement for small purchases from $15,000 or more to **$2,500** or more.
- Note: Procurement Circular 2012-04 applies to Executive Branch. Procurement Circular 2012-05 applies to CPOs for other Jurisdictions.

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About eProcurement

- **Vendor registration**
  - (including profiles: (NIGP) Commodity Code category profile)
- **Vendor email notification**
- **Electronic** forms
- **Vendor response** through HePS
- **Notice of Award** through HePS to all responding vendors
- **Award amendments** on HePS
- **History** – search, research and restage

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HePS is a Tool

- HePS is **not** a method of Procurement
  - It is a tool to make your procurement more efficient and transparent)
- It does not know all the statutes and rules.
  - You have to know them.
- It does not know specifications.
  - That is also your job.
- It is not artificial intelligence. To HePS, text is text.
  - Your intelligence is what counts.

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Buyer Responsibilities

- **Security-**
  - Change your password when you first get it.
  - Logins/passwords are not for sharing.
  - Keep your login/password secure.
- **Comply with statutes/admin rules, etc.**
  - Keep up to date. Check procurement circulars regularly. Check manuals, references, program guides, etc.
  - Ensure you have written delegated authority.
  - Ensure you have taken all required training. (Requirements change, check the website.)
- **Adhere to code of ethics-**
  - Effective 7/6/10 - HRS 103D-101 Requirements of ethical public procurement
  - Redundant of HAR Procurement Code of Ethics in HAR Chapter 3-131.
  - No conflict of interest or appearance of conflict of interest.
    - Buyers have access to vendor information. Buyers cannot also be vendors to the state because of this access.
- *Reference:*
  Act 207 SLH 2010;
  HAR Chapter 3-131 Compliance;
  HAR Section 3-131-1.02 Procurement Code of Ethics

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Questions?

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HePS Terminology

- **RFQ** = Request for Quotation - for the Small Purchase method of procurement
- **RFB** or **IFB** = Request for Bid, also called Invitation for Bid or the Competitive Sealed Bid method of procurement.
- **RFP** = Request for Proposals or the Competitive Sealed Proposals method of procurement.
- **RFI** = Request for Information
- **RFx** = Any or all of the above
- **Internal Vendor Number/Code** = an optional field when creating an award. If the buyer knows the DAGS vendor number they may enter it, however, it is not necessary to enter anything in this field.
- **P.O.** = Notice of Award (other states use the notice as an electronic PO/contract, however, Hawaii does not.)

- See the *HePS Terminology Reference for more*

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Functions in HePS

- Requisition
  - The request,
  - who (is requesting)
  - what (are you buying) specifications,
  - how (special instructions on how it is to be delivered)
  - when (is it needed by) delivery or start and end of service,
  - where (delivery address/site(s) service is to be conducted) contacts,
  - billing address and instructions;
- Solicitation
  - Submittal due date/time, Q & A, prebid conference, administrative requirements, special instructions, etc.
  - Solicitation Addenda (Amendments)- changes to the solicitation
- Award
  - Notice, what, when , where, how, etc.
  - Amendments/change orders/supplemental agreements
- History

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Before Creating your Solicitation Do your Homework

- HePS does **not** create specifications for you. Have your specs ready when you create your solicitation in HePS.
- Before creating your solicitation search HePS to ensure the:
  - Appropriate correct **commodity code.**
  - Vendors who are appropriate and you want to respond are in HePS.
    If they aren't, let them know you will be issuing a HePS solicitation and contact the HePS vendor liaison.

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Unit of Measure

- Unit of measure is extremely important.
- Used to determines how vendors may respond in HePS.
- When vendors respond using the same unit of measure, you are comparing apples to apples- fair, straightforward, less likely to get protests.
- The buyer determines the unit of measure. Vendors **cannot** change it.
- Most common units of measure:
  - Each
  - Job (for a one time service or construction)
  - Year
  - Month
  - Hour

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HePS Basic Buyer Training

A Few More Things…

- Do not use your browser 'back' button.
  - HePS is an application – it is like one long electronic form. If you hit the browser 'back' button HePS may not know where to go and you will lose everything since HePS last saved your entry.
  - If you can go back, there will be a back button on the HePS page.
  - If you make a mistake/need to change something don't worry if there is no back button; you will be able to change just about anything at various points during the solicitation and just before you submit it for release. Go forward and you will be able to change it later…

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If You Get a Red Error Screen with White Writing

- Stop and do not continue.
- Call SPO (Mara, Bonnie or Wendy) immediately. (If you cannot get one of us, leave a message and try the others.) We will contact SicommNet.
- The sooner you contact us, the more likely your work will be saved.
- We work normal State hours.

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Questions?

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When you are just beginning to use HePS…

- K.I.S.S.
- Keep it simple. Don't make it hard on yourself by trying to do something beyond your training: multiple line items awarded to different vendors, splitting an award, alternates, etc. are more advanced.
- On to HePS and creating a small purchase request for quote solicitation
  - http://hawaii.gov/spo
  - HePS
  - Training Site – Buyer Approver Login

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Homework for Session 1

To be completed before session 2

- Create 3 solicitations on the **Training** site
- http://hawaii.gov/spo
- > HePS
- >Buyer/Approver Training Website Login

- Note:
- If you do not have an account (login/password) or you have forgotten it, contact your HePS Department Administrator.
- If you know your login, but forgot your password…

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Retrieving Your Password

- **If you forget your password:**
- Go to the HePS Login:
  http://hawaii.gov/spo
  - HePS
  - Buyer/Approver Login
  - Under "Forgot your Password?"
    enter your user ID or email (as it appears in HePS)
  - Your password will be emailed to you in about a minute.
- **Forgot your user ID?**
  Contact your Department/Jurisdiction HePS Administrator
- **If your email is incorrect in HePS:**
- Contact your Department/jurisdiction HePS Administrator

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If You Do Not Have an Account

- Contact your Department HePS Department Administrator. Only they can give you an account.
  - http://hawaii.gov/spo
  - For State & County Personnel
  - Department and CPO Jurisdiction Administrators, Managers or Contacts for SPO Programs

There is also a link on the SPO HePS for State Personnel page
- http://hawaii.gov/spo
- HePS
- HePS for State Procurement Personnel
- HePS Administrators

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Resources for HePS Buyers

- http://hawaii.gov/spo > HePS > HePS for State Procurement Personnel
- > HePS Toolbox
  - HePS references/manuals/handbooks
  - How Do I's
  - Buyer FAQ
  - More Info
    - Procurement Delegation
    - Procurement Code of Ethics
    - More Information on Small Purchase Method of Procurement
    - For State and County Personnel webpage

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State Procurement Office

http://hawaii.gov/spo

The end of Part 1!

Thanks for attending

Don't forget to:

1. *Complete the Group Attendance Form if 2 or more attendees attended at a single computer; and*
2. *Do the homework !*

Questions or Comments? Contact us:

Mara Smith 587-4704 or mara.smith@hawaii.gov
Wendy Orita 586-0563 or wendy.m.orita@hawaii.gov
Bonnie Kahakui 587-4702 or bonnie.a.kahakui@hawaii.gov

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State Procurement Office
Contacts for General and Specific Info

- **Donn Tsuruda-Kashiwabara** 586-0565
  donna.tsuruda-kashiwabara@hawaii.gov
  RFPs, specifications, emergency, sole source, professional svcs., exemptions
- **Mara Smith** 587-4704
  mara.smith@hawaii.gov
  HePS, PANS (Reporting/Posting Awards, Notices & Solicitations), SPO website (overall)
- **Kevin Takaesu** 586-0568
  kevin.s.takaesu@hawaii.gov
  IFBs, preferences, emergency, sole source, professional svcs., exemptions
- **Bonnie Kahakui** 587-4702
  bonnie.a.kahakui@hawaii.gov
  Travel, pCard, emergency, sole source, professional svcs., exemptions, HePS
- **Wendy Orita** 586-0563
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- **Stanton Mato** 586-0566
  stanton.d.mato@hawaii.gov
  Price & Vendor List Contracts
- **Corinne Higa** 587-4706
  corinne.y.higa@hawaii.gov
  Health & Human Services (all procurement methods, reporting, posting)
- **Stacey Kauleinamoku** 586-0571
  stacey.L.kauleinamoku@hawaii.gov
  Training, Delegated Procurement Authority

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