State Procurement Office

Hawaii eProcurement System - HePS

HePS
Basic Buyer Training

SPO Workshop No. HePS 100-2

Section 2 of 3

Section 2

What will be Covered

- A little more background- Vendor Fees,
- Buyer Responsibilities
- Checking on your solicitation while it is on the internet
- Addenda to solicitations
- Reviewing the abstract
- Notice of Award
- Q & A

When to Take HePS 100

- Buyers should take HePS 100 within 3-4 months of issuing their first procurement.
- Buyers should be issuing a minimum of 3 to 4 procurements a year.
- If less, buyer will not remember, offices should consolidate.
- Buyers will be de-activated by their department HePS administrators and must HePS 100 again when:
  - Buyer has not logged in for a year (13 months); or
  - Buyer has not issued a solicitation in 2 years.
    - HePS is always changing.

Vendor Transaction Fees

How HePS is Funded

- No fee to vendors for:
  - Registering on HePS
  - Submitting a response to an RFQ, IFB, RFP
- Vendors are charged .85% of the award payable to SicommNet, the vendor for the HePS system.
- Cap of $5,000 per award.
- Payable on delivery date 30 days/net;
- Payable quarterly for services over a time period such as a year.
- Remember to make sure your delivery date or start and end of service date and amount awarded are accurate when you issue the notice of award in HePS.

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; Codified as HRS section 103D-101 Requirements of ethical public procurement
- *HAR Chapter 3-131 Compliance;*
  HAR Section 3-131-1.02 Procurement Code of Ethics
- *Buyer Responsibilities and Information Reference*

Reminder about Specifications

- No brand name unless it is "XX brand or equal/equivalent"
- If using an "or equal/equivalent" type of specification, you still need to describe the required specifications.

See *Specifications* in online Procurement Manual

http://hawaii.gov/spo

> For State and County Personnel...

>Specifications / Scope of Work

>There is also a link to Specifications under each of the methods of procurement

New Requirement: Security Services Act 201 SLH 2010

- Act 208, SLH 2010, effective July 1, 2013.
- **What is required of vendors:**
  All individual guards, and all agents, operatives, and assistants employed by a guard agency, private business entity, or government agency who act in a guard capacity shall apply to register with the **Board of Private Detectives and Guards.**
- **What is required of State/County Procurement Personnel:**
  When a security guard firm is procured it must be made certain that all of the guard employees are first properly registered with the DCCA. ..."
- **What is required of State/County Contract Administration Staff:**
  Ensure the vendor's employees are registered as required.
- **Effective 7/1/2013**
  - If you are procuring now for a 1 year contract it will affect your contract. You must include this requirement in your solicitation.
  - If you have a contract for security services in place that will still be in effect on 7/1/13, consult with your Deputy AG and the DCCA as to appropriate action.

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About Addenda to Solicitations

- Used to amend (change) or clarify.
- Issue sufficiently before the submittal due date so vendors may take into account the addenda when submitting responses.
  - Extend the submittal due date if needed.
    - Can be in the same addendum as the change/clarification
    - emails do not go out until the evening batch
- Check your attachments and the instructions for conflicting info/dates.
- Not okay to shorten the solicitation and close tomorrow because you have enough quotes.
- Cancel and re-issue if changes are so major it may have affected a vendors decision to respond to the solicitation.
  - Vendor may have viewed the initial solicitation and made a decision not to respond based on the information in the initial solicitation.

Compliance for Small Purchase Awards

- Reminder: Effective 7/1/11 proof of Compliance for Contracts/Awards for Small Purchase method of Procurement Contracts is required for all small purchase awards of $2,500 and above.
- Acceptable documentation of proof is via Hawaii Compliance Express.
- FYI: DOTax and the IRS no longer issue paper tax clearances for contracting purposes.
- *Reference:*
  - *Procurement Circular 2011-02*

HePS Instruction for Vendors
Compliance, Documentation and Hawaii Compliance Express

- "Vendors are required to be compliant with all appropriate state and federal statutes.
- Proof of compliance (compliance documentation) is required. See the HePS Vendor FAQ on the State Procurement Office website for more information.

HePS Instruction for Vendors
Compliance, Documentation and Hawaii Compliance Express
(continued)

VENDOR REGISTRATION IN HAWAII COMPLIANCE EXPRESS (HCE)

- Proof of compliance/documentation is obtained through Hawaii Compliance Express (HCE). Vendors shall register in Hawaii Compliance Express (HCE), a program separate from HePS. The annual subscription fee to utilize the HCE service is currently $12.00. Allow 2 weeks to obtain complete compliance status after initial registration. It is highly recommended that vendors subscribe to HCE prior to responding to a solicitation.
- The vendor is responsible for maintaining compliance. If the vendor does not maintain timely compliance in HCE, an offer otherwise deemed responsive and responsible may not be awarded.
- NOTE: State agencies may check HCE for compliance at any time. Non-compliance may result in a vendor not receiving an award, delay of payment, or cancellation of award. Register online for HCE. For more information about HCE click the FAQ link."

Bases of Award
for Small Purchase Request for Quotes

- **Lowest responsive, responsible quotation.**
- Responsive-
  - "…conforms in all material aspects" to the solicitation
  - specifications and requirements,
  - submitted on time
- Responsible-
  - "…has the capability in all respects to perform fully the contract requirements, and the integrity and reliability which will assure good faith performance."
  - Administrative (See compliance)
  - Capacity and Capability

If Not Awarding to Lowest Priced Quotation

- Typical Reason: didn't meet specs, (wrong product, cannot deliver in time, etc.)
- Enter justification in 'Competition Comments'.
- Enter more than the minimum - "lowest-priced vendor did not meet specifications."
  - How will you remember 2 years from now when the auditor comes to visit?
  - Lowest priced vendor did not meet minimum specifications:
    - could not deliver by date required;
    - could not meet specification number 2;
    - Price did not include all requirements (<name the missing requirement>)

When to Obtain Compliance Documentation

- Obtain before awarding!
- Don't let this happen to you:
  - Vendor states no problem getting the documents;
    - There was no problem and it was a mistake; or
    - There was a problem but it is all cleared up and the vendor will get you the documentation shortly or it is being updated on HCE; or
    - Vendor has the documents they will get them to you;
  - If you do not verify compliance before awarding and the vendor cannpot get compliant…

When to Obtain Compliance Documentation (continued)

- Be sure to obtain compliance documentation **BEFORE** awarding!
- If not it may result in the following:
  - Cannot pay the vendor.
  - Procurement violation.
  - Cancellation of award/solicitation.
  - Administrative fine (personnel making the award).
- Note: HePS takes snapshot of results in HCE as of the time you awarded (clicked the award button and completed the award.)

Before "Execute Action" ... Review/Edit Award

- Review **dates of contract.**
  - Revise as appropriate. (If you don't, the vendor may be billed immediately by SicommNet.)
- Review **description**; need to be more specific?
  - If solicitation asked for a vehicle, and winning vendor offered Ford Taurus, change description accordingly.
- If applicable and allowable, revise **quantity or amount**.
  - Enter **justification in description and comments**.

Making the Award

- Contract not required if small purchase method is used. May use P.O.
  - Must have paper contract or P.O. Can attach contract to notice of award in HePS.
- If an agency chooses to award by contract, use AG-002 for small purchase contracts.
- For Executive Departments - **Compliance documentation required** for total purchases $2,500 and above if small purchase process used.
- Procurement and award through HePS requires Award Summary Report.
- If $15,000 and above post on Awards Reporting System (of the PANS - Procurement Awards, Notices and Solicitations) within 7 days of notice of award.
- **Note: For small purchase method of procurement protests shall be submitted "within 5 working days of knowledge giving rise to the protest" or if a debriefing is held, within five working days after the debriefing.**
  - **In your solicitation include where awards will be posted (Awards website). You may want to post sooner than 7 days.**

Finding Your Awards

- Log in
- Main tab - Award History
- Select the Method of Procurement (RFQ for most)
- Select the Award Number
  - Begins with DO or ID and the 4-digit FY
- Your Notice of Award appears.
- Scroll to the bottom of the page

On the Subject of Award… A Word about Intent to Award

- This function is optional and should only be used when needed. For instance:
  - Vendor is not in HCE and you need to request compliance documents.
- **Intent to award is only an email.** You still have to award after issuing the intent to award.
- Send it to intended awardee.
- Responding vendors will be notified when you actually award. Don't do it during intent to award.
- While an award is in 'intent to award', you cannot access the abstract. Print your attachments before issuing the intent to award.

Section 2

Homework

- Issue an addendum.
- Issue 3 awards.
  - http://hawaii.gov/spo
  - > Hawaii eProcurement System
  - >Buyer/Approver Training Website Login

Note: On the training site, vendor responses are generated by SPO. Send us (Mara, Bonnie or Wendy) an email when you have created your solicitations and amended them so we can generate the responses and position them so you can award. Don't wait until the last minute or we will not be able to get to it.

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

State Procurement Office

http://hawaii.gov/spo

The end of Part 2!

Thanks for attending

Don't forget

1. *Complete the Group Attendance Form if 2 or more attendees attended at a single computer; and*
2. *Good luck with the homework. Let us know once you have created solicitations and amended them so we may add responses and position them for you to award!*

Questions or Comments? Contact us:

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