State Procurement System

Hawaii eProcurement System HePS

Beyond Buyer Basics

Workshop No. HePS 202

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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 taken HePS 100; and
  - have written delegated authority to procure and to procure on HePS; and
  - Have taken all required workshops for the method of procurement to be conducted on HePS; and
  - are current HePS buyers and have conducted at least 3 procurements on; or
  - are Department/Jurisdiction HePS Administrators
- This workshop will:
  - demonstrate the mechanics of some more advanced features in HePS; and
  - indicate some common mistakes made.
- This workshop is not intended to:
  - Teach you everything you need to know about procurement, award or contract administration procedures/practices. (There isn't enough time.) You must take the appropriate workshops for the method of procurement (competitive sealed bid, competitive sealed proposal, small purchase, etc.) and/or function.
  - Serve as a review of the basics of using HePS (Buyers should take HePS 100 if review is needed.)
  - Serve as the reason to reactivate a buyers account when the buyer was deactivated because they have not used HePS in over 1 year.

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HePS 202 Beyond Buyer Basics

What Will be Covered

- About Webinars/Housekeeping
- Reminders and Responsibilities
- In General - Quick Review-
  - Preparing for your HePS Solicitation,
  - During the Solicitation
  - Before Awarding
  - About Compliance
  - Protests
- Creating a New Solicitation from History (Restaging)
- Multiple Line Items in a Solicitation
- Pre-Bid Conference Section
- Q & A Section
- Intent to Award
- Awarding all Line Items to a Single Vendor
- (If time allows…) Canceling a Solicitation
- Tools You Can Use
- Q & A

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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 for this webinar on the webinar website.
  - On the day of the webinar, the SPO Webinar Group Attendance form is placed on the SPO training schedule.
  - All attendees **in the group** including the person registered on the webinar site complete 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**
  - http://hawaii.gov/spo
    - Training and Informational Sessions
    - Training for State and County Personnel
  - **DO NOT send in the signed form prior to the workshop.**

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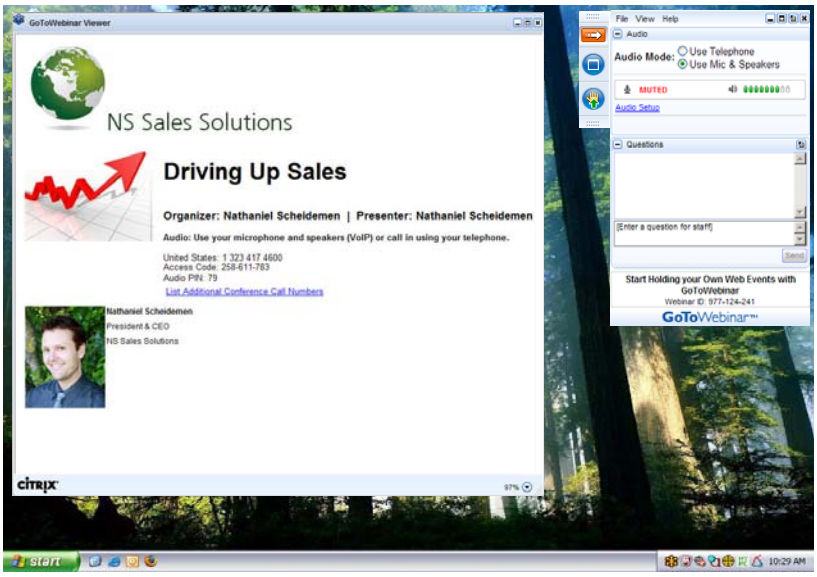
The GoToWebinar Attendee View



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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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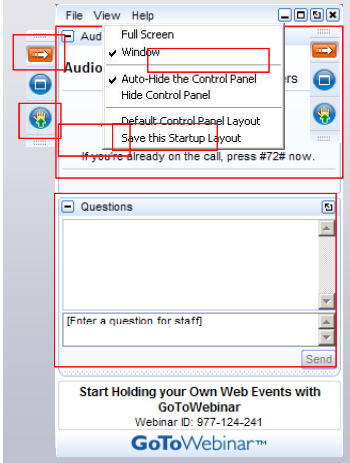
How to Participate Today



- 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 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, Amendment 1. If a SPO Form SPO-036 has not been submitted to SPO you do not have delegated authority. Check with your ASO/BMO if you are unsure.
  - See : 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
  Note: Some requirements have changed. Check the website periodically.
  - See: http://hawaii.gov/spo
    >Training & Informational Sessions
  - >Training for State and County Personnel
    >Training Requirements: Which Workshops Do I need to Take?

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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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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.**
  - Ensure you are in the Loop. 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.)
  - Know your internal policies and procedures (Jurisdiction, department, division, office, etc.)
- **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.
- *See also: User Responsibilities and General Information*
- *Reference:*
  Act 207 SLH 2010; codified as HRS 103D-101
  HAR Chapter 3-131 Compliance;
  HAR Section 3-131-1.02 Procurement Code of Ethic

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A Review:
Functions in HePS

- Requisition
  - The request, specifications, delivery info, billing, etc.
- Solicitation
  - Solicitation Addenda
- Award
  - amendment/change order/supplemental agreement
- History

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Prepare for Your HePS Solicitation

- Have your specifications ready (HePS doesn't provide them for you.)
  - Include minimum qualifications as appropriate
- Have any administrative requirements/general provisions ready.
  - Check the general instructions in HePS. Don't assume all administrative requirements are in the general instructions (Why aren't some admin requirements in HePS? May not always apply.)
- Use the search function in HePS to:
  - Find the correct commodity code
  - Ensure appropriate vendors are in HePS

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Preparation for your HePS Solicitation

Know Your Dates

- Issue date
- Submittal due date
- Addenda
- Q&A Section
- Pre-bid conference
- Considerations in establishing dates
  - If you have approvers you must allow time for approval routing.
  - Have you allowed time for protests?
- Requirements for the length of the Solicitation
  - For small purchases SPO recommends 7 days, at least 5 working days.
  - For IFBs,
    10 days between date issued and submittal due date=12 days.
    emails are often sent at night, minimum 13 days will help avoid complaints/protests.

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Preparing for Your HePS Solicitation

Checking Approval Routes Prior to Issuing a Solicitation/Award

(for **Buyers**)

- Log in
- Select **Miscellaneous** tab
- Select **Session Info** subtab
- Scroll down
- **Assigned Workflow Routes** for…

- See: *How Do I's* in the *HePS for State and County Procurement Personnel* section of the SPO website

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Any Questions?

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Preparing for Your HePS Solicitation

Soliciting for Services…

HRS Section 103-55

- Before entering into a contract to perform services in excess of $25,000 for any governmental agency, the vendor shall certify:
  - Services shall be performed by employees paid at wages or salaries not less than the wages paid to public officers and employees for similar work.
  - Compliance with labor laws.
- No contract to perform services shall be granted unless the conditions are met.
- It is the duty of the governmental contracting agency awarding the contract to enforce this requirement.

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Preparing for Your HePS Solicitation: Selecting the
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. In determining the unit of measure remember K.I.S.S.
- Using a unit of measure o such as a case is not reliable as different vendors may have different size cases.
- 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
- Remember: the unit of measure determines how vendors are to respond.
  - For instance, if you want a bridge repaired, you would probably use the quanity and unit 'one job', not the fact that it is '643 longitudinal feet.'

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Preparing for Your HePS Solicitation
About Attachments

- When using attachments make them user friendly.
- If vendors need to respond using a form, make the form electronically fillable and simple using fields so the form doesn't lose it's format. Use formulas in fields where appropriate to avoid extension/multiplication errors.
- Highlight where the vendor must enter prices or information.
- Indicate the amount to be entered in HePS in bold so there is no confusion/dispute. "Enter this amount in HePS."
- Separate the response form from the rest of the attachments.
  - For instance: the specifications, administrative requirements, and provisions can be one attachment and the response form should be a separate attachment.

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Using 1 Lot or 1 Job vs. Multiple Line Items

- If using 1 Lot; (general rule, more than 10 items)
  - Use a fillable offer form

- If using 1 job that consists of
- Initial work (such as creating or delivery and installing); and
- Work to be completed over time (such as a year of maintenance)
- Consider 2 line items:
  - Line item 1 for the initial work,
  - Line item 2 for the year of maintenance (especially if maintenance will be needed on an ongoing basis.

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Preparing Your HePS Soliciation

When Using Multiple Line Items or One Lot as Unit of Measure

- Indicate the basis of award: Lowest responsible responsive quote. Clarify:
  - Lowest price for all (lump sum), or
  - Lowest price for each item.

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During the Solicitation
Tracking Approvals in Approval Routing

- **Buyers**
  - Log in
  - **Approvals Manager**
  - My RFXs **in Approval**
  - View **Approvals**
- **Approvers**
  - Log in
  - **Approvals Manager**
  - **Awaiting My Approval**

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During a Solicitation

Checking who Registered for the Pre-bid Conference

- Log in
- Icon **On Internet**
- Scroll to the solicitation
- **Prebid Conference**: select the checkbox at the end of the statement **"A Pre-Bid Conference is scheduled for <date> at <time>. Review # Registered Attendees.**

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During a Solicitation

Checking the Q&A and Answering the Questions

- Log in
- Icon - **On Internet**
- Next to: **Questions/Answers Area exists.** Select the link **"here"** in " Click ***here*** to review or respond to vendor questions."

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Prior to Award

Vendor Compliance

Vendors are required to be compliant with applicable state statutes at all dollar levels at all times.

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Prior to Award

Verification of Compliance

- **Verification** of compliance is required for small purchases of $2,500 and over, and for all IFBs, RFPs, Professional Services and Sole Source.
- Verification of compliance is obtained through through Hawaii Compliance Express.
- *Reference: Act 190 SLH 2011*
  Procurement Circular 2011-02

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What does Verification of Vendor Compliance entail

- **In good standing with Good Standing with Dept of Labor and Industrial Relations**
- **Registered and In Good Standing of Compliance, Dept of Commerce and Consumer Affairs**
- **Tax Clearance, Federal and**
- **Tax Clearance, State**

- **Note: DOTAX and the IRS no longer issue paper tax clearances for contracting purposes.**

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- Creating a New Solicitation from History
- Multiple Line Items
- Pre-bid Conference
- Q&A section
- Intent to Award
- Awarding all Line items to a Single vendor
- Cancelling a Solicitation

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Restaging: Creating a New Solicitation from a Previous One

- Log in
- Tab **Award History** > Subtab Method of procurement (Usually **RFQ**)
- Select the award number (begins with **ID** or **DO** followed by 4 digit FY. For instance: ID2012000067 or DO2012000569
- Scroll to the dropdown box. Select **Create New Solicitation**

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When Creating a New Solicitation from History (Restaging)

- Check all dates
- Check attachments for dates/updates.

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Creating More than One Line Item

- Create the first line item
- Select **Save Item 1/Create line item 2**

- **State in the solicitation:**
- Whether vendors must respond to all line items; and
- Whether award will be by lump sum or line item.

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Pre-Bid Conference Section

- Use this section if conducting an IFB and you will be conducting a pre-bid conference. It is necessary for the procurement notice.
- May be used for small purchase request for quotes.
- Make the question submittal due date after the pre-bid conference.

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Using the Question & Answer

- Give yourself time between
  - the submittal date for questions and the answer due date; and
  - the answer due date and the submittal due date.
- You may need time to research before you answer. Your answer may generate additional questions.

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Question & Answer
When Answers are Public

- The 'answers are available' email is sent to vendors on the evening of the answer due date **if** all questions have been answered. (Text is in each answer field.)
- Answers are displayed on the answer due date after all questions have been answered.
- Answer due date may NOT be on the submittal due date. Answer due date must be enough time before the submittal is due so that vendors have time to prepare their responses. Answers to questions should be issued at least 3 days before the submittal due date. If a question is significant you should add an addenda to include the change and if applicable, extend the submittal due date.

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Question & Answer
and IFB

- For **IFBs**, answers to questions are issued by addenda
  - See HAR Section 3-122-16.06 - All amendments and clarifications are issued by addenda.
- On the day the answers are due, issue an addenda to indicate responses to questions are available on HePS.
  - The Q&A already sends an email but does not officially call it an addenda. Issue an addenda to say the answers are available on HePS.

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Intent to Award

- This section 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.
- While an award is in 'intent to award', you cannot access the abstract. Print your attachments before issuing the intent to award.

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Awarding all Line Items to a Single Vendor

- Log in
- Icon Create Award
- For the solicitation to be awarded, select LS (Lump sum). This will create a lump sum abstract.

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Questions?

- Any questions?
- How are we doing so far?

- On to the HePS website
  - http://hawaii.gov/spo
  - Hawaii eProcurement System
  - Buyer/Approver Login

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Canceling a Solicitation

- Log in
- Icon **On internet**
- Select **Remove**
- email subject: enter the **short title of the solicitation**
- email body: enter the **reason the solicitation is being cancelled** and if it will be resolicited**, approximately when.**
- copies to: **responding vendors** and **self**
- Select **Permanently Delete**

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Canceling a Solicitation on the Internet Justification

- **Goods, services or construction are no longer needed**.
  - Document what has changed.
- **Lack of funds-** State Agency cannot reasonably expect to fund. Document and be specific.
  - Budget restrictions,
  - higher priorities are greater than anticipated cost ,
  - procurement may be much more expensive than originally anticipated.
- **Specifications need to be modified** and the proposed changes/amendments to specifications are so great, it is desirable issue a new solicitation.
  - Changed so much it is better to start over to ensure all vendors have equal access.
- **Determination of Best Interest of the State** by Procurement Officer or Designee.
  - Make sure you have full **signed,** justification in procurement file by procurement officer with written delegated procurement authority for the procurement. (Not just that is is in best interest of the state but how and why.)

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Making the Award

- Contract not required if small purchase method is used.
- If an agency chooses to award by contract, and it is small purchase, use AG-002 for small purchase contracts.
- For Executive Departments - **Compliance verification** for total purchases $2,500 and above if small purchase process used. (Required for all IFBs, RFPS, Professional Service and Sole Source awards)
- Procurement and award through HePS requires Award Summary Report.
- If **$2,500** and above **post** on **Awards Reporting System** (of the PANS - Procurement Awards, Notices and Solicitations) within 7 days of notice of award. (All IFBS must be posted.)
- **Note: For small purchase method of procurement protests shall be submitted within 5 working days of posting or if a debriefing is held, within five working days after the debriefing.**
  - **In your solicitation, include where awards will be posted:** http://hawaii.gov/spo click **Contract Awards and Info**
  - **You may want to post sooner than 7 days.**

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Protests

- Shall be within five working days of when protestor knows or should have known of award.
- Shall be within 5 **working** days of **posting (awards Posting site of PANS)**.
- Shall be in writing to the Procurement Officer.
- Once notified of protest by vendor, all action on award shall cease until protest is resolved.

(Ref: HAR, Ch. 3-126, Legal and Contractual Remedies)

Procurement Circular 2012-03, Legal and Contractual Remedies (Protest), ACT 173, SLH 2012

Procurement Circular 2010-01 (as amended)
Posting Procurement Awards, Notices and Solicitations.

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Reporting of Protest Information

- Act 173, SLH 2012 requires reporting of protest data.
- Procurement Circular **2012-03**, Legal and Contractual Remedies (Protest), ACT 173, SLH 2012 describes the process for reporting protest data Accompanying instructions provide guidance on protests. (Includes sample letter.)
  - Requires Form SPO -043.
  - Must be submitted within 10 days of final outcome.
  - The form is likely to be amended soon. (It will be shortened.) Keep checking.

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It Doesn't Stop at the Award

- Someone must be responsible for managing the award to ensure the State receives what it contracts for (including purchases by purchase orders or pCards).
  - Commonly known as contract administrator.
  - Just because there is no formal contract (AG form) it is still a contract and must be managed.
    - Ensure the state gets what it solicited for.
    - Payment was in accordance with the quote.

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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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Before We Get to

More Advanced Functions in HePS

Retrieving Your Password

- **If you forget your password:**
- Go to the HePS Login: http://hawaii.gov/spo
  - Hawaii eProcurement System
  - 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 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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Reminders

- **Maintain security**
  - Avoid conflicts of interest or appearance of conflict of interest.
  - No "sharing" of your account (login/password)-you are responsible for anything issued by your account.
- **For Small Purchase Request for Quotes (RFQ) and Competitive Sealed Bids (IFB/RFB)**
  - You must determine the **specifications**. HePS does not do it for you.
  - For services, remember HRS Section 103-55, *Wages, hours, and working conditions of employees of contractors performing services*.
    - Don't forget to include **wage certification requirement** in your solicitation if applicable.
  - **Protest** process.
  - **Execute a paper contract or PO.**
- **For Small Purchase Requests for Quotes**
  - Preferences do **not** apply.
  - Default is to send notices and allow responses from agency domiciled. You must change it to all registered if that is what is needed.
  - Execute a paper P.O. or contract (or whatever your internal procedures are)
- **For Competitive Sealed Bids**
  - **Preferences** DO apply. HePS does not apply them automatically for you.
  - Execute a **paper contract**.
    - You can attach it to your notice of award

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Before Procuring
Do Your Homework First

- Use Search functions
  - Check for commodity codes
  - Check for vendors
- Have your docs –
  - Specifications (including minimum qualifications). HePS doesn't do it for you.
  - General provisions?
  - Know the general instructions in HePS.
- Plan your timeline –
  - Allow time for Q & A, pre-bid conference, addenda, protest, etc.
- Know the general instructions (in case you didn't see it above)

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Resources for HePS Users

- http://hawaii.gov/spo
- > HePS
- > HePS for State Procurement Personnel
- > HePS Toolbox: references/manuals/handbooks, etc.
  - How Do I's
  - Buyer FAQ
  - Check also More Info:
    - Small Purchase Method of Procurement
    - Competitive Sealed Bidding Method of Procurement
    - Procurement Code of Ethics
    - Procurement Delegation
    - For State and County Personnel

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Other Useful Info on the SPO Website

http://hawaii.gov/spo

- For State and County Personnel *(bookmark this site)*
  - Posting Procurement Awards, Notices and Solicitations (PANS)
- Forms
- Information on Methods of Procurement and Online Procurement Manuals
- Awards Public Site
- Price and Vendor Lists
- Travel Services
- Inventory Management and Excess Property
- pCard Information
- Training for State and County Procurement Personnel
- Procurement References
  - Hawaii Revised Statutes & Hawaii Administrative Rules
  - Procurement Circulars

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State Procurement Office

The end. Thanks for attending!

Please remember to complete any group attendance forms and email them to spo.training@hawaii.gov

Questions?
http://hawaii.gov/spo

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Contacts for General and Specific Info

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  RFPs, specifications, emergency, sole source, professional svcs., exemptions
- **Mara Smith** 587-4704
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  HePS, PANS (Reporting/Posting Awards, Notices & Solicitations), SPO website (overall)
- **Kevin Takaesu** 586-0568
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  Price & Vendor List Contracts
- **Corinne Higa** 587-4706
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- **Stacey Kauleinamoku** 586-0571
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