State Procurement Office

Hawaii eProcurement System
HePS

Editing and Amending Awards

Workshop No. HePS 281

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Editing and Amending Awards (HePS 281)

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 to procure on HePS; and
  - have taken HePS 100; and
  - are current HePS buyers and have conducted at least 3 procurements on HePS; or
  - are Department or Jurisdiction HePS Administrators
- This workshop will:
  - Teach you how to amend an award at the point of award;
  - Teach you how to issue a change order/supplemental agreement/contract;
  - Provide you with some guidance as to when changes are allowable;
  - (If time allows)Teach you how to cancel an award; and
  - Teach you how to find resources/answers to common questions on the HePS section of the SPO website.
- This workshop is not intended to:
  - Teach you everything you need to know about procurement or award procedure. (There isn't enough time.) You must take the appropriate workshops for the method of procurement you are conducting.
  - Provide all the circumstances when it is allowable/not allowable to edit or amend an award; or
  - 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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Editing and Amending Awards (HePS 281)

What Will be Covered

- About Webinars/Housekeeping
- Reminders and Responsibilities
- What is Acceptable/Permissible
- Editing an Award Before it is Awarded
- Issuing Change Orders, Modifications, Supplemental Agreements, Extensions, etc.
- Canceling Awards
- 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.
  - 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: state.procurement.office@hawaii.gov
  - If you attended by yourself (not as part of a group), no need to send in the group webinar attendance form.
  - **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 handouts. http://hawaii.gov/spo click **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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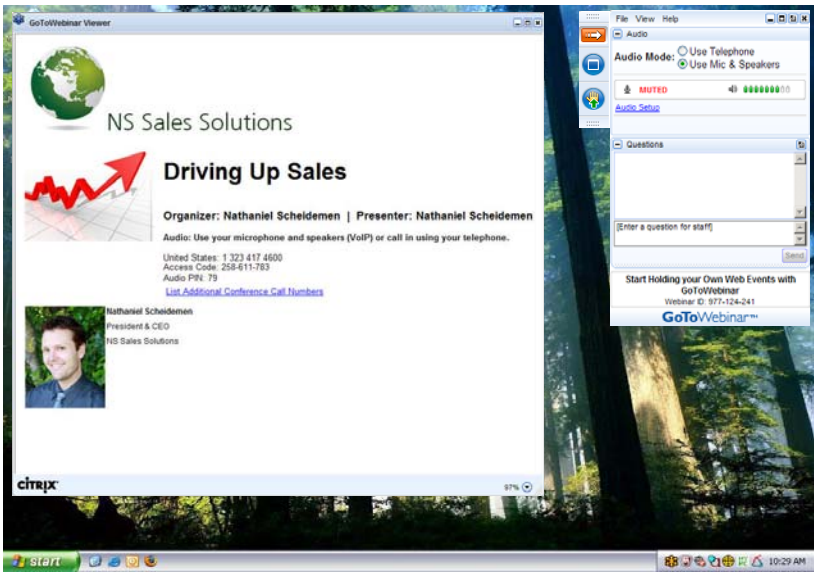
The GoToWebinar Attendee View



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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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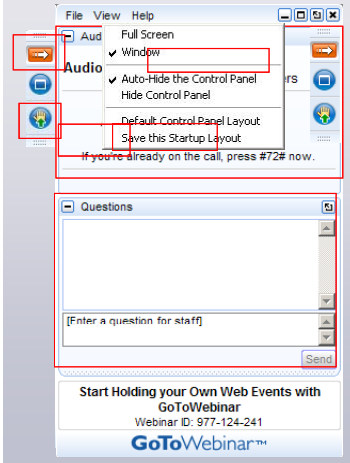
How to Participate Today



- 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. Informational sessions including a webinar were held for ASOs/BMOs and their staff.
  - See : http://hawaii.gov/spo
    > For State & County Personnel
    > Procurement Delegation (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.
  - 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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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 > HRS 103D-101;
  HAR Chapter 3-131 Compliance;
  HAR Section 3-131-1.02 Procurement Code of Ethic

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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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When You are Ready to Award/Amend Who Authorizes/Makes the Changes

- Authority to make the determination a change is allowable or should be made-
  - **Procurement officer for the solicitation**
- Enters the changes in HePS and provides oversight-
  - **HePS buyer**

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Changes Cannot be Entered by Vendors After the Submittal Due Date and Time

- **Not the vendor**
  - Once the submittal due date and time has passed the vendor/offeror does not have access in HePS to make changes to the solicitation offer.
    - We would never know what the final offer was if they could change it after submittal date/time.
    - On the evening after a solicitation closes, vendors can log in and view an abstract of the solicitation that looks similar to what buyers see.

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Before Awarding
What Can be Changed

- Correct mistakes
- Proportionately reduce quantity/scope when justified
- Adjust start/delivery dates
- Selected vendor can decrease price
  - Providing vendor is providing the same product/services described in the solicitation.

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Not Permissible Before Awarding:
Increasing Unit Price is Not Permissible

- Vendors have access modified abstract after submittal due date and time.
- Vendor would have knowledge not available before submittal deadline and could increase price to more than offer price but less than the next highest vendor so that it remains the lowest.
- Not fair.

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Before Awarding: What Can be Changed
Correcting Mistakes

- Readily discernable (obvious to everyone)
- Minor informality not affecting price, quantity, quality, delivery, or contractual conditions
  - Procurement officer may waive the informalities or allow the bidder to request correction by submitting documentation that demonstrates a mistake was made (done manually)
- If error in extension of bid price, unit price shall govern.
  - HePS has unit of measure and quantity-and HePS does the calculations. Vendor enters the price for one unit.
- Typographical errors
- Transposition errors
- Price in HePS will prevail unless there is documentation of of above mentioned errors (i.e. For a transposition error there is an Attachment that shows correct price.)

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Before Awarding: What Can be Changed
Reduce Quantity/Scope

- Lowest price exceeds available funding.
  - Decrease quantity-
    - May ask the lowest responsive, responsible vendor to decrease quantity (maintaining quoted unit price).
  - Reduction of Scope-
    - Can reduce scope but must justify how you are reducing price proportionately – more difficult to substantiate.

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Not Permissible: Procuring for the Difference =Parceling

- No parceling: may not re-procure for the remaining quantity or part of the scope and procure as a separate procurement within a 12 month period.
- "Breaking up" the scope.
  - HePS keeps a record of the original procurement and quote/bid.

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Amending the Quantity, Delivery Date, etc. when Creating the Award

- Changing the award details is done as **a last step in creating the award.**
- Create the award adding all required data.
- Select **Review/Edit Award-** In the ***Complete Award*** section, to the right of the **execute action** button.
- Change the items for which changes are permitted.
- Document the changes by adding what is being changed along with the justification to the **description** and **general comments** sections.
  - Description section is on notice of award.
  - General Comments is on the Award Summary report.
  - (For example: "Amending quantity from 400 to 399 to remain within budget. Unit price and all other requirements remain unchanged."
- Select **Apply Changes.** This will take you back to the previous page.
- Complete the Award (Select Action > Complete Award > Execute Action)

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Changes/Amendments after Award

- (HePS uses the term 'change order' as a generic term for all changes)
- Use the following HePS terms when issuing a change to an Award:
- **Contract Extension-** extension of the contract for definite period of time less than the initial term.
- **Contract Renewal-** extension of the contract for an additional term as stated in the solicitation and award.
- **Contract Modification –** change of the contract terms other than extension or renewal.
- **Change Order** (per HAR 3-125-2) - a written order by the Procurement Officer directing the contractor to make changes authorized by a 'change clause' in the contract.

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Changes/Amendments After Award
Change Orders, Supplemental Agreements, Extensions, Renewals, etc.

- Change Quantity (as allowed)
- Change length of contract (as allowed)
  - Extension
    - If for short period of time and not being procured again
  - shorten
    - If no longer needed, loss of funding.
- Unforseen circumstances
  - Include justification in the file
  - Not the same as failure to plan properly

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HePS Terminology: Changes after Award

- HePS calls the function for amending an award a 'Change Order'
- It does not have the same meaning as given in HAR chapter 3-125.
- For HePS, Change Order is just the generic term used for all award/contract changes after the award.

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Change Orders
Supplemental Agreements, Extensions, etc.

- If **Indefinite quantity**, add/decrease estimated quantity
- **Extension/Renewal**
  - Must be in the solicitation and award (and the contract if there is one),
  - Must be in accordance with the conditions in the solicitation/award
    - Under what conditions will the increase occur
    - Conditions for extension, (For instance, satisfactory performance as determined by…) length of extension

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Change Orders
Supplemental Agreements, Extensions, etc.

- **Unforseen Circumstances**
  - Must be approved prior to doing the work.
  - Advise vendor
    - approval must be obtained before initiating work.
    - how to request and what constitutes documentation of approval
  - Authorization by Procurement Officer. Buyer must enter defensible justification for supplemental agreement.
    - Buyer may want written authorization including justification from Procurement Officer

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Canceling vs. Amending Awards
Guidelines

- Cancel an award within 3 days after award, no contract /PO executed and work has not begun.
- Amend an award if contract/PO executed and work has begun.

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Why it is Important to Amend or Cancel an Award

- Data is collected from HePS.
- Vendors pay a transaction fee to SicommNet the contractor providing HePS. SicommNet bills the vendor based on the amounts and the awards dates in HePS.

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Creating a Change to an Award/Contract in HePS: Contract Amendment

- Award History
- Select the Award Number
  - Will start with DO or ID
- The Notice of Award will Appear- Scroll to the **Select an Action Dropdown**
- Select **Create Change Order** > **Execute Action**
- You will be in essence, creating a new award**. The change order shall only be for the difference** between the original award and what you are changing. For instance, if you awarded 400 units and want to change it to 401, for the change, enter 1 unit.)

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Questions?

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

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

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Editing and Amending Awards In Summary

- Know your statutes, rules and the solicitation.
- Just because a change can be mechanically made in HePS does not mean it is allowable.
- Vendors cannot make changes after the solicitation submittal date and time.
- Procurement Officer has the authority to make the determination to change.
- Buyer implements the change in HePS and provides oversight.

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Resources for HePS Buyers

- http://hawaii.gov/spo
- click HePS
- click HePS for State Procurement Personnel
  - **HePS Toolbox**
    - How Do I's
    - Buyer FAQ
    - Training References
  - Check also **References**
    - Department or CPO Jurisdiction HePS Administrators
    - Statutes and Rules
    - Procurement Circulars
    - Procurement Code of Ethics
    - Small Purchase Method of Procurement
    - 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 page)*
  - Department and CPO Jurisdiction Administrators, Managers or Contacts for SPO Programs (Who to call in your dept for HePS, pCard, PANS, Training)
  - Written procurement delegation authority
  - Compliance, Procurement Code of Ethics
  - Procurement:
    Purchasing Goods, Services and Construction
    (pages with information on each method of procurement)
  - PANS- Info on posting…
  - Travel Services…
  - Purchasing Card (pCard)
- SPO Forms
- Contract Awards and Info (Awards Public Site)
- Price and Vendor List Contracts
- Training and Info Sessions
- Procurement References
  - Hawaii Revised Statutes & Hawaii Administrative Rules
  - Procurement Circulars

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State Procurement Office

http://hawaii.gov/spo

Click **Hawaii eProcurement System (HePS)**

The end !

Thanks for attending

Your feedback is appreciated.

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

The end. Thanks for attending!

Please remember to complete any group attendance forms and email them to stater.procurement.office@hawaii.gov

Questions?

http://hawaii.gov/spo

Click Hawaii eProcurement System

- Mara Smith 587-4704
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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
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  Travel, pCard, emergency, sole source, professional svcs., exemptions, HePS
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  Hawaii Compliance Express (HCE), Price & Vendor List Contracts, HePS
- **Stanton Mato** 586-0566
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  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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