State Procurement Office

Hawaii eProcurement System

HePS Buyer Training for Competitive Sealed Bidding: Invitation for Bids (IFBs)

SPO Workshop No. HePS 301

1

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 IFBs on HePS; and
  - have taken required workshops for Competitive Sealed Bids including SPO 100; or
  - are Department or Jurisdiction HePS Administrators
- This workshop will:
  - teach the mechanics of the difference between issuing an IFB on HePS as opposed to a small purchase request for quote; and
  - demonstrate some features of the RFP on HePS as time permits; and
  - help you take advantage of the resources on the SPO website.
- 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 (contract administration, specifications, etc.)
  - Serve as a review of the basics of using HePS; if review is needed, buyers should take HePS 100 before taking HePS 301.
  - Serve as the reason to reactivate a buyers account when the buyer was deactivated because they have not used HePS in over 1 year.

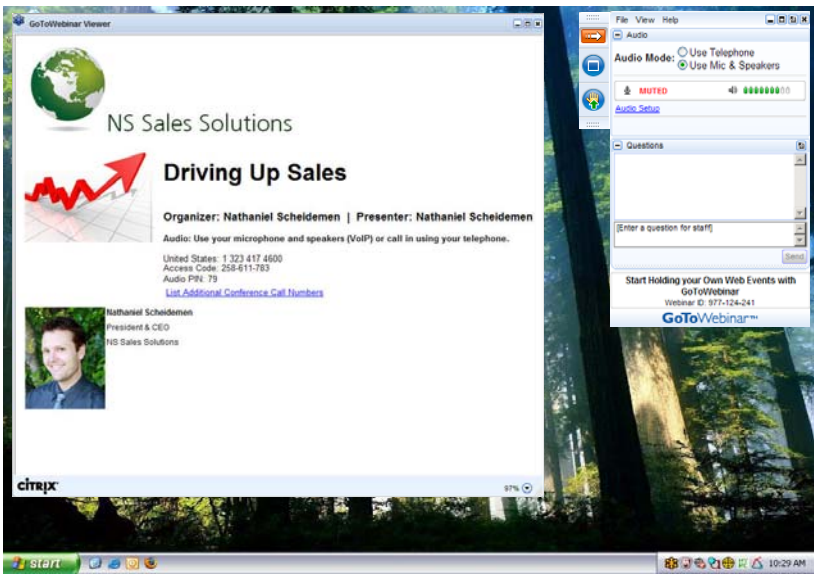
2

What Will be Covered

- Housekeeping
- Review: user responsibilities, before you procure, transaction fees
- Reminders
- Differences between eRFQ and eIFB
- Summary
- Resources
- Q & A

3

The GoToWebinar Attendee View



citrix online

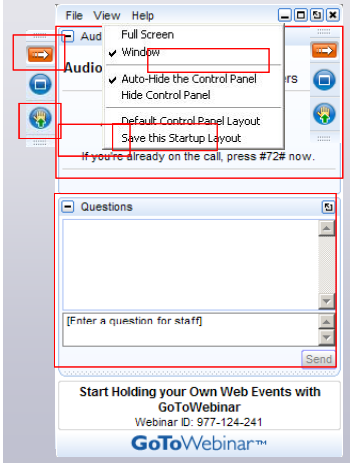
Webinar Viewer Window

- 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**

5

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

citrix online

About HePS 301

HePS Buyer Training for Competitive Sealed Bids (IFBs)

- HePS 100 is required **before** you take this workshop. It should have been taken recently.
- SPO 100-Competitive Sealed Bids is a prerequisite as well.
- Exceptions:
- If you have already taken HePS 100 (all 3 sections or previous versions) **and**
- You have used HePS in the past year; or
- You are a Department HePS Administrator

7

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.
  - 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?

8

Prerequisite for Procuring Required (Mandatory) Training

- In addition to delegated authority , you must also take all required training.
  - http://hawaii.gov/spo
  - Training and Informational Sessions
  - Training For State and County Personnel
  - Required Training: Which Workshops Do I Need to Take?
  - Procurement Training Requirements Table
- Across the top of the 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.
- Be sure to check the General Section of the Procurement training Requirements able.

9

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: state.procurement.office@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.**

10

Buyer Responsibilities

- **Keep it secure**
  - Change your password if you have not done so already.
  - No "sharing of accounts."
  - Vendor information in HePS.
- **Adhere to Procurement Code of Ethics**
  - 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.
- **Comply with Statutes, Rules, Policies, procedures**
  - Ensure you have written delegated authority for the method of procurement and
  - Have taken all required/mandatory training prior to procuring
- **Stay in the Loop**
  - Buyer responsibility to keep abreast of any changes to statutes, rules, policies and procedures.
- **Do your homework**
  - Create your specifications.
  - Find your vendors and ensure they get into HePS.
  - Use the correct commodity codes.

- *Reference:*
  Act 207 SLH 2010;
  HAR Chapter 3-131 Compliance;
  HAR Section 3-131-1.02 Procurement Code of Ethics

11

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 > HRS 103D-101 Requirements of ethical public procurement.
  HAR Chapter 3-131 Compliance;
  HAR Section 3-131-1.02 Procurement Code of Ethics

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*

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)

14

Checklist
Before Entering Your Solicitation in HePS

- ✓ Procurement Delegation Authority
- ✓ Taken all required training
- ✓ Method of Procurement! (Select the right one: RFQ or IFB)
- ✓ Specifications
  - ✓ Include minimum qualifications as applicable
- ✓ Administrative Requirements included but not limited to:
  - ✓ Required licenses/ certification/compliance;
  - ✓ Where awards will be posted (Awards Reporting Site)
    - ✓ Direct them to the public site, (not where you log in): http://hawaii.gov/spo click **Contract Awards**;
  - ✓ Procedures for protests and the name and address to send the protest.
    - ✓ CPO has delegated to HOPA, HOPA may delegate further in accordance with written delegated procurement authority. (Usually the procurement officer for the solicitation)
- ✓ If using an offer form, the offer form should be in a separate attachment and should be fillable.
- ✓ Unit of measure and quantity
- ✓ Check for approval routes to which your solicitation/award is subject **before** releasing the solicitation.
- ✓ Timeline
- ✓ Commodity code
- ✓ Verify appropriate and desired vendors are in HePS.

15

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.

16

Preparation of Offer

Minimum Time Solicitations Must be Available

- HAR states"…Between the first date of the public notice of the solicitation and the date set for receipt of offers..."

Method of Procurement	HAR Between first date and due date…	Total No. Calendar Days
IFBs	**10**	**12**
RFPs	**30**	**32**

- *Reference: HAR 3-122-16.02*

17

Public Notice

- When issuing solicitations on HePS, public notice is released automatically (based on what you enter/when it is approved).
- **Go to the public notices website and print a copy for your procurement on the day it is released.**
- Be sure you use the pre-bid conference section for pre-bid or pre-proposal conferences as they are required to be in the public notice.
- If you have approvals, be sure the required number of days your solicitation must be published is from the date of actual release, **not** the date it left you and went to your HePS approver. It is your responsibility to check. Do not assume…
  - http://hawaii.gov/spo
  - Click **Procurement Notices for Solicitations**
  - Click **Procurement Notices for HePS Solicitations**
  - Search for your solicitation (use the search field: *containing the terms* to narrow the search)
  - Print

18

Reminders

Competitive Sealed Bids (and Requests for Proposals)

- **Preferences** DO apply. HePS does not apply them automatically for you.
- You have to determine the **specifications**.
- 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**.
  - You can attach it to your notice of award
- Award Must be Posted on Awards Posting Site of PANS

19

About Specifications

- Avoid Restrictive specs: No brand name unless it is "XX brand or equal" or a prequalified list
- If using an "or equal" or" prequalified products" type of specification, you still need to describe the required specifications.

See *Specifications* in online Procurement Manual

http://hawaii.gov/spo

- For State & County Personnel
- Specifications/Scope of Work (Under *Procurement: Purchasing Procedures…*)
- There is also a link to Specifications under each of the methods of procurement

20

Checking Approval Routes

- **Prior to conducting procurement, issuing award**
  - Do I have any approval routes? - (Assigned Workflow Rtes.).
  - Am I an approver in any routes? (Approval responsibilities)
- **While solicitations/awards are in approval**
  - Where is the solicitation/award in the route?

See How Do I
...Track My Solicitations or Notices of Award in Approval on HePS?

21

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 addenda as the change/clarification
- Check your attachments and the instructions for conflicting info/dates.
- Not okay to shorten the solicitation and close tomorrow because you have enough bids/proposals.
- Issue an addenda on the date the answers are released to your Q&A section
  - (answers are not called an addenda in HePS).

22

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.

23

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.

24

Questions?

How to…

- http//hawaii.gov/spo

25

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;
  - You award but do not get the documents.
    - The vendor is not or cannot get compliant.
    - You have a procurement violation.
    - If default is with State Tax or IRS, vendor cannot be paid!

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 is **required** for IFBs
  - Can attach contract to notice of award in HePS.
- **Compliance documentation required before awarding!**
- Procurement through HePS- response must be through HePS.
- Post on Awards Reporting System (of the PANS - Procurement Awards, Notices and Solicitations) within 7 days of notice of award.
  - **In your solicitation include where awards will be posted (Awards website). You may want to post sooner than 7 days.**

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

In Summary What's Different from eRFQs

- A choice when you begin creating the solicitation (eRFQ , eIFB, (later eRFP).
  - Make sure you select the right method of procurement. Cannot change it after you start.
- Vendor Selection defaults to All Registered.
  - In small purchase RFQ you can open solicitation to agency domiciled (Hawaii only vendors) or all registered vendors. In IFBs and RFPs **must be all registered vendors**.
- Solicitation instructions are different than the RFQ. Make sure you review them.
- Viewing vendor responses from On Internet (response tracker)
- BAFO (RFPs only) Best and Final Offer
- You must enter your special provisions/administrative requirements. HePS does not do it for you.

30

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/knowledge of statutes, rules, policy and procedures is what counts.

31

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, etc.
- Know the general instructions (in case you didn't see it above)

32

Access to the IFB function

- After taking HePS 301, contact your Dept. HePS Administrator. If your HePS Administrator determines you should are have access to the eIFB function, the HePS administrator will email SPO.
- SPO will turn on the access.
- You will see the IFB function in the pop-up window for the 'Create a Solicitation' icon.

33

Before Issuing an IFB on HePS

- It is your responsibility to:
  - ensure you have written delegated authority (Form SPO-036) and
  - have taken all required workshops for the method of procurement Competitive Sealed Bids before issuing a solicitation.

34

Homework

- Create 3 IFBs on the **Training** site
- http://hawaii.gov/spo
  - > Hawaii eProcurement System
  - >Buyer/Approver Training Website Login
- If you want to practice awarding, email your bid number (B2008000XXX) to mara.smith@hawaii.gov and we will generate responses and move it so you can view the abstract and practice awarding. We will generate responses within 1 to 3 working days.

35

Before You Procure
Make sure you:

- Have written delegated authority per forms SPO-036.
- Have taken all required training.
- Check procurement circulars for updates to statutes, administrative rules, policies and procedures.
- Check related statutes (recycled paper, recycling, Light-duty motor vehicle requirements, recycled content for construction materials, indigenous plants, etc .)
- Check with your department, division, etc. for internal policies/procedures.
- Do your homework. Check for appropriate commodity codes. Are appropriate vendors in HePS?
- Clear and concise specifications.
- **General/Special Provisions, terms and conditions, etc.**

36

What Happens to Your Account If You Don't Utilize HePS

- Buyers who do not log in for over 1 year -
  - De-activation by your HePS Administrator.
  - Must take HePS 100 in order to be re-activated by your HePS Administrator.
- Buyers who do not issue a solicitation for 2 or more years:
  - De-activation by your HePS Administrator
  - Must take HePS 100 to be re-activated by your HePS administrator
  - Exception: Buyers who are very active (have conducted many solicitations) that are on a 2 year cycle.

37

If you Forget Your Password…

- Go to the HePS login page
- Enter your user ID or email address (as it appears in HePS) in the box under **Forgot Your Password?**
- Your password will be emailed within a few minutes.
- Forgot your user ID?
- Contact your Department HePS Administrator.

38

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.

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.

Resources for HePS Buyers

- http://hawaii.gov/spo
- Click HePS
- click HePS for State Procurement Personnel
  - HePS Toolbox:
    - references/manuals/handbooks
    - How Do I's
    - Buyer FAQ
  - Check also **More Information** (bottom of the page)
    - Competitive Sealed Bidding (IFB)
    - Procurement Code of Ethics
    - Procurement Delegation
    - For State and County Personnel
    - Procurement Circulars/ Statutes and Rules
  - Reference (on most SPO webpages)-
    - Statutes and Rules
    - Procurement Circulars

41

Questions?

State Procurement Office

http://hawaii.gov/spo

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. *Practice!*

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

42

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
  wendy.m.orita@hawaii.gov
  Hawaii Compliance Express (HCE), Price & Vendor List Contracts, HePS
- **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

43