

 HAWAII HEALTH SYSTEMS C O R P O R A T I O N "Quality Healthcare For All" POLICY	Department: Finance	Policy No.: PUR 0001A
		Revision No.: 3
	Authored by: Joe Evanoff, HHSC Director of Contracts & Materials Mgt.	Effective Date: June 20, 2013
Subject: <i>Designation of Procurement Responsibilities to the HHSC & Regional Facilities</i>	Approved by:  HHSC Board of Directors By: Carol A. VanCamp Its: Secretary/Treasurer	Supersedes Policy: HHSC 04/17/2008 and regional policies
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Last Reviewed April 16, 2013; Next Review April 16, 2016

- I. **PURPOSE:** The Hawaii Health Systems Corporation (HHSC) President and Chief Executive Officer (PCEO) and Regional CEOs [RCEOs] are responsible for promoting economy, efficiency, and effectiveness in the procurement of goods, services, and the construction of public works by simplifying, clarifying, and modernizing procurement, centralizing procurement, streamlining a contracts management system, and creating an efficient standardized and consolidated materials management information system. In addition, compliance with applicable State and federal laws requires adherence to clear policies and procedures in the procurement of goods, services, and construction. The purpose of this policy is to designate the personnel within HHSC and Regional System Boards with contract signing authority and uniform guidelines for delegation and exercise of that authority.

- II. **POLICY:** The HHSC PCEO and RCEOs have been appointed by the Board and assume responsibility for all procurement activities within their respective facilities, with the PCEO responsible for Corporate office and the RCEOs responsible for their respective Regional offices. In addition, the PCEO has been designated the Chief Procurement Officer (CPO) by the legislature. In these capacities, he is authorized to designate (delegate) certain responsibilities to individual personnel.

Furthermore, RCEOs have been designated as Regional Procurement Officers (RPOs) within their respective regions and may designate (delegate) certain responsibilities to individual personnel within their respective regions.

The Corporate office operations will follow the procurement code, chapter 103D, HRS, as required by law. System wide procurement actions conducted by HHSC personnel for the benefit of the regional system boards (regional hospitals) are required to follow procurement code HRS 103D.

The Regional System Boards are responsible and accountable for the procurement function at each facility within the respective region. This policy establishes regional boards with procurement policies consistent with sound government purchasing practice, but are not required to follow the procurement code HRS 103D. Regional procurements shall use sound government purchasing practices in accordance with policy and procedures and shall recognize that purchases must be accomplished thru fair, competitive methods, where feasible, in order to avoid unethical procurement practice, fraud, favoritism, corruption, and waste. This goal shall be balanced with an efficient streamlined process designed to procure quality materials and workmanship for the most reasonable cost.

It is the policy of HHSC that final management decisions relating to contract actions shall rest with the Executive Management Team, Hospital Administrators, and their selected delegates. This policy defines the authority and responsibility for making contract decisions within the Corporate office and Regional offices and also sets forth guidance in procurement procedures within PUR 0001-B for the Corporate Board and Regional Boards in exercising procurement authority, as provided by law.

III. APPLICABILITY: All HHSC facilities and CEO staff.

IV. REFERENCES: HRS 323F; Chapter 103D, HRS. Reference to Chapter 103D does not intend to waive any applicable exemption.