

**HAWAII HEALTH SYSTEMS CORPORATION
NOTICE OF AND REQUEST FOR EXEMPTION
FROM CHAPTER 103D, HRS**

EX-048

1. TO: Chief Procurement Officer

2. FROM: Edward N. Chu, Chief Financial Officer

Department/Division/Agency Pursuant to §103D-102(b)(4), HRS, and Chapter 3-120, HAR, the Department requests a procurement exemption to purchase the following:

3. Description of goods, services or construction: General accounting services for Maui Region facilities, including but not limited to:

- 1) Performing and/or reviewing general ledger account reconciliations
- 2) Posting of transactions to the general ledger
- 3) Preparing supporting schedules for fiscal year 2016 audit and fiscal year 2016 cost reports
- 4) Reviewing the general ledger close for June 2016 and the fiscal year-end close
- 5) Preparing other financial analysis, as needed

4. Name and Address of Vendor: Pascua Accounting Services, LLC 1787 Wili Pa Loop, Suite 4 Wailuku, HI 96793	5. Price: \$20,000
--	---------------------------

6. Term of Contract: From: 5/06/16 To: 5/05/17	7. Prior Exemption Ref. No. None
---	---

8. Explanation describing how procurement by competitive means is either not practicable or advantageous to the State:

As a result of the transition of operations from HHSC Maui Region to Kaiser, many of the accounting staff at Maui Region have left HHSC employment for other jobs, including the Fiscal Officer. As a result, many of the general ledger account reconciliations have not been performed since early January 2016. As it is crucial that HHSC catch up on the general ledger account reconciliations prior to the end of June 30, 2016, which is the date of the transfer, competitive procurement could not be done in time to ensure the accuracy of the accounting records at the date of transfer. It is critical that the accounting records at June 30, 2016 be accurate, because it will determine the sources and uses of cash that will be available to pay off ongoing and remaining liabilities of the Maui Region facilities. Further, this particular vendor has worked with Maui Memorial Medical Center doing the same type of work in the past, and is familiar with the location of the records and the information systems used by the facility.

9. Details of the process or procedures to be followed in selecting the vendor to ensure maximum fair and open competition as practicable: See 8 above.

10. A description of the agency's internal controls and approval requirements for the exempted procurement:

This exemption request will be approved by the HHSC Chief Executive Officer, who is the appointed Chief Procurement Officer for the department.

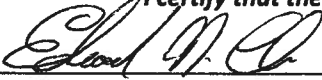
11. A list of agency personnel, by position, who will be involved in the approval process and administration of the contract:

Name	Position	Involvement in Process	
Joe Evanoff	Director Contracts/Materials Management	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
Dawn Hirakawa	Contract Mgr.	<input type="checkbox"/> Approval	<input checked="" type="checkbox"/> Administration
TBD	TBD	<input type="checkbox"/> Approval	<input type="checkbox"/> Administration
Edward N. Chu	HHSC CFO	<input checked="" type="checkbox"/> Approval	<input type="checkbox"/> Administration

12. Direct inquiries to:

Contact Name: Doreen Nakatsu, Corporate Controller
Phone Number: (808) 733-4070

13. Agency shall ensure adherence to applicable administrative and statutory requirements
I certify that the information provided above is, to the best of my knowledge, true and correct.



Department Head (Edward N. Chu)

Date 4/27/16

Reserved for CPO/Delegee Use Only

14 .Date Notice Posted: _____

The CPO is in the process of reviewing this request for exemption from Chapter 103D, HRS. Submit written objections to this notice to issue an exemption from Chapter 103D, HRS, within seven (7) calendar days or as otherwise allowed from the above posted date to:
Chief Procurement Officer, HHSC, 3675 Kilauea Ave., Honolulu, Hawaii 96816

Chief Procurement Officer's comments:

15. APPROVED

DISAPPROVED:

NO ACTION REQUIRED

HHSC Chief Procurement Officer - *Signature*

Date