



STATE PROCUREMENT OFFICE
NOTICE OF AMENDMENT TO EXEMPTION FROM CHAPTER
103D, HRS, CONTRACT

1. TO: Head of Purchasing Agency

2. FROM: Alice Hall

Department/Division/Agency

3. Name of Contractor: N/A

4. P.E. Reference No. Ex: 05-015

5. Description of goods, services, or construction:
Provides an exemption from competitive IFB, RFP, or professional services list processes for purchases of all goods, services, and construction between the cost of \$25,000 and \$100,000.

6. Scope of work for the contract is revised as follows:
Scope is not revised.
Original Contract Price: \$N/A Amended Contract Price: \$N/A

7. Reason: This / These amendment(s) are necessary because:
Withdrawal of the exemption is appropriate since it was superseded by Ex. 05-021.

8. Direct questions to: Alice Hall, Director of Contract Management Phone: 733-4168

Agency shall ensure adherence to applicable administrative and statutory requirements.

9. Pursuant to § 103D-102, HRS, and § 3-120-5, HAR, I certify that the information provided above is, to the best of my knowledge, true and correct

Alice M. Hall

3-23-06

Department Head

Date

Date Posted:

11. Submit written objections to this notice of intent to amend a procurement exemption contract within seven calendar days or as otherwise allowed from the above posted date to: Head of Purchasing Agency HHSC 3675 Kilauea Ave. Honolulu, HI 96816

Head of Purchasing Agency's Comments:

12. [] APPROVED [] DISAPPROVED

Head of Purchasing Agency

Date

13. P.E. No.

EX 05-12

MAR 26 2005

05/12/05

Tom, please sign this and withdraw exemption to establish new small purchase threshold of \$100,000.

STATE OF HAWAII
REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS

TO: Head of Procurement Agency

FROM: Al Neves, HHSC Director, Materials and Contract Management

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

Description of goods, services, or construction: HHSC small purchase threshold for all procurement needs be established at \$100,000 instead of the current State HRS 103d Requirement of \$25,000

Name of Vendor:	Cost:
Address: N/A	

Term of Contract:	From:	To:	Prior Exemption Ref No.
N/A			

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

It is not practical or advantageous to HHSC to use the HRS 103d small purchase threshold of \$25,000. HHSC's healthcare procurement requires \$100,000 as the small purchase threshold because of the nature of Healthcare products and the clinical evaluation expediency needs. Additionally the HRS 103d, \$25,000 threshold would necessitate a huge volume of RFPs that will slow the procurement process down and have a detrimental effect on HHSC's ability to provide quality patient care.

Details of the process or procedure to be followed in selecting the vendor to ensure maximum fair and open competition as practicable:

The SPO, Aaron Fujita, on Jan 14, 2005, verbally told the HHSC CEO Tom Driskill that HHSC has the threshold raised to \$100,000, specifically, stated, "you got it" to Tom Driskill.
Reference MFR Jan 14.

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REQUEST FOR EXEMPTION FROM CHAPTER 109D, HRS.

A description of the agency's internal control and approval requirements for the exempted procurement: HHSC will obtain oral quotes as specified in internal operation procedure for small purchases 5k to 50k, and written quotes from over 50k to 100k.
 SPO forms 10 and 10a will be documented and placed in PO file.
 Procurements of less than 5k will be documented to show evidence as to the determination that the price is fair and reasonable, i.e. product comparisons, price lists, prior purchases, prudent buyer considerations.
 GPO procurements are not applicable to the above requirements

A list of agency personnel, by position title, who will be involved in the approval process and administration of the contract:
 HHSC Regional Material Manager will be involved in the day to day administration of the small purchase program.

Direct questions to:
 Phone Number:
 Al Neves 928-2024

This exemption should be considered for list of exemptions attached to Chapter 3-120, HAR. Yes No

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS, TO THE BEST OF MY KNOWLEDGE, TRUE AND CORRECT


 Al Neves 4-06-09
 Department Head or Designee Date

HHSC Director Materials and Contract

May 19 05 02:22p

Al Neves

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Management _____

Title

HPA's Comments:

Institutionalizing authority verbally delegated by the SPO Administration on 01/14/05 and mandating by the SPO Administration on 01/19/05.

APPROVED DISAPPROVED

[Signature]
Head of Procurement Agency

05/16/05
Date