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TESTIMONY
OF
AARON S. FUJIOKA
ADMINISTRATOR
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TO THE
HOUSE COMMITTEE
ON
CONSUMER PROTECTION & COMMERCE

March 24, 2008

SB 2826, SD 2, HD 1

RELATING TO PROCUREMENT.

Chair Herkes, Vice Chair McKelvey and committee members, thank you for the opportunity to provide comments on SB 2826, SD 2, HD1. This bill requires the State Procurement Office (SPO) to develop and maintain a procurement practices training and development programs for procurement officers of the State and the several counties, including mandatory attendance for state procurement officers as determined by the state procurement office.

Procurement training is an important and vital tool in ensuring proper procurement practices are achieved. The State Procurement Office (SPO) coordinated, managed, and conducted procurement training in 2006 and 2007 that was made available to procurement officers of all jurisdictions.

In FY 2006, the SPO conducted procurement training for State and county purchasing personnel statewide to a total of 2,822 attendees and 98 workshops (17 different workshops):

1. Competitive Sealed Bids (IFB)
2. Competitive Sealed Proposals (RFP)
3. Emergency Procurement
4. Professional Services
5. Small Purchases - Hawaii Electronic Procurement System (HePS)

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6. Sole Source Procurement
7. Exemption from HRS Chapter 103D
8. Evaluating Proposals
9. Developing an RFP
10. Methods of Source Selection
11. Basics of Procuring Health and Human Services
12. Request for Information (RFI)
13. Request for Information for Health and Human Services
14. Administrative Rule Changes for 103F
15. Methods of Source Selection – Treatment, Restrictive, Crisis and Small Purchase
16. Developing a Request for Proposal
17. Evaluating Proposals for Health and Human Services

In 2007, the SPO procurement training program continued with a total of 30 workshops (18 different workshops), to 663 attendees:

1. Overview on Procurement (for Administrators, managers)
2. Competitive Sealed Bids (IFB)
3. Small Purchases - Hawaii Electronic Procurement System (HePS)
4. Exemption from 103D / Federal Grants and Request for Information (RFI)
5. Preparing a Request for Proposal (RFP)
6. RFP – Evaluation and Award
7. Other Methods: Emergency, Sole Source, Professional Services
8. Construction (Conducted by DAGS, Public Works Division)
9. Ethics for State Procurement Personnel (conducted by State Ethics Commission)
10. Procurement Web Systems (HePS, Procurement Notice System, Procurement Reporting System, Hawaii Compliance Express)
11. Basics of Procuring Health and Human Services
12. Procuring Health & Human Services in the Electronics Age (Contracts Database Reporting System, Request for Proposals Website, HePS)
13. Contract Administration
14. Travel Services
15. Inventory Management / Surplus Property
16. Chapter 104, HRS – Wages & Hours of Employees on Public Works (Conducted by DLIR)
17. Understanding Insurance Requirements for Contracts (Conducted by Risk Management Office)
18. Introduction to Green Purchasing (Environmentally Preferred Purchasing, Recycled products)

The SPO has, and continues to accommodate all requests from purchasing agencies to the interested public for information, assistance, and training. The SPO participates as guest speaker or participant in organizations sponsored workshops, conferences and seminars such as the Small Business Administration, American Council of Engineering Companies of Hawaii, Association

of Government Accountants, Hawaii Chamber of Commerce, and National Association of Purchasing Managers.

The SPO intends to continue the training program, which will continue to evolve, providing a variety of workshops to meet the needs to the purchasing personnel to manage procurement for their departmental operational requirements.

However, if attendance is to be mandatory for state procurement officers as determined by the SPO, this mandate will require additional resources for SPO to develop and maintain a procurement practices training and development program, as resources within the SPO are limited.

LINDA LINGLE
GOVERNOR OF HAWAII



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March 23, 2008

TESTIMONY TO THE
HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE
For Hearing on Monday, March 24, 2008
2:00 p.m., Conference Room 325

BY

MARIE C. LADERTA, DIRECTOR

Senate Bill No. 2826, S.D. 2, H.D. 1
Relating to Procurement

TO CHAIR HERKES AND MEMBERS OF THE COMMITTEE:

The purpose of S.B. No. 2826, S.D. 2, H.D. 1, is to transfer responsibility for procurement training from the Department of Human Resources Development to the State Procurement Office (SPO). The bill also provides that training shall be mandatory for state procurement officers, as determined by SPO, and elective for county officials.

The Department of Human Resources Development (DHRD) strongly supports the intent of this bill.

We believe in the value of procurement training and are willing to be responsible for the coordination of procurement training with the parties that have the necessary expertise to develop and conduct such training, including, but not limited to, SPO.

Thank you for the opportunity to provide testimony on this matter.

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