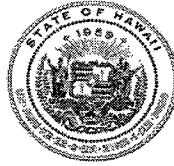


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WRITTEN COMMENTS  
OF  
AARON S. FUJIOKA  
ADMINISTRATOR  
STATE PROCUREMENT OFFICE

TO THE  
SENATE COMMITTEE  
ON  
WAYS AND MEANS

February 21, 2008

SB 2826, SD1

RELATING TO PROCUREMENT.

Chair Baker, Vice Chair Tsutsui and committee members, thank you for the opportunity to provide comments on SB 2826, SD1. This bill requires the State Procurement Office (SPO) to develop a mandatory procurement practices training and development programs for procurement officers of the State and the several counties.

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)
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.

Since 1998, SPO held four procurement of health and human services conferences (8/98, 5/00, 1/03, 8/05) to (1) discuss new ideas and ways to partner effectively to address the challenges facing health and human services delivery; (2) share best business practices to enhance the efficiency, effectiveness and stability of the health and human services delivery system in Hawaii; and (3) network with potential partners from the public and private sector. Over 400 individuals from both the private and public sectors participated in each conference.

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 all procurement officers of the State and several counties, this mandate will require additional resources for SPO to meet the provisions of this bill as resources within the SPO are limited.