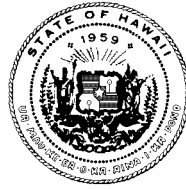


SCR 40
Proposed SD1

EDT-PGM



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES

P. O. Box 339
Honolulu, Hawaii 96809-0339

March 8, 2012

TO: The Honorable Carol Fukunaga, Chair
Senate Committee on Economic Development and Technology

The Honorable Will Espero, Chair
Senate Committee on Public Safety, Government Operations & Military
Affairs

FROM: Patricia McManaman, Director

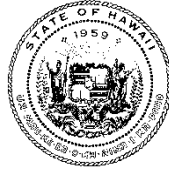
SUBJECT: **S.C.R. 40, Proposed S.D. 1 – REQUESTING THE EXTENSION OF THE PROMPT PAYMENT TASK FORCE TO DEVELOP RECOMMENDATIONS TO ADDRESS ISSUES THAT AFFECT PROMPT PAYMENT FOR GOODS AND SERVICES PURCHASED THROUGH NONPROFIT ORGANIZATIONS, INCLUDING HUMAN SERVICE NONPROFIT ORGANIZATIONS THAT DELIVER PIVOTAL GOODS AND SERVICES TO INDIVIDUALS, FAMILIES, COMMUNITIES, AND OTHER SMALL BUSINESSES.**

Hearing: Friday, March 9, 2012; 2:45 p.m.
Conference Room 016, State Capitol

PURPOSE: The purpose of S.C.R. 40, Proposed S.D. 1 is to rename the prompt payment task force as the purchase of services procurement task force; extend the task force until December 31, 2012; and request the purchase of services procurement task force to develop recommendations to address issues that affect procurement for goods and services purchased through nonprofit organizations, including human service nonprofit organizations that deliver pivotal goods and services to individuals, families, communities, and other small businesses and report to the Legislature.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports the renaming of the prompt payment task force and its continuation as the renamed purchase of services procurement task force, to develop recommendations on purchase of services and payment processes.

Thank you for the opportunity to provide these comments.



STATE OF HAWAII
OFFICE OF INFORMATION MANAGEMENT & TECHNOLOGY

P.O. BOX 119, HONOLULU, HAWAII 96810-0119

TESTIMONY OF
SANJEEV "SONNY" BHAGOWALIA, CHIEF INFORMATION OFFICER
TO THE SEANTES COMMITTEE ON
ECONOMIC DEVELOPMENT AND TECHNOLOGY
AND
PUBLIC SAFETY, GOVERNMENT OPERATIONS, AND MILITARY AFFAIRS
Friday, March 9, 2012, 2:45 p.m.
State Capitol, Conference Room 016

WRITTEN TESTIMONY

S.C.R. 40, S.D. 1

REQUESTING THE RENAMING OF AND THE EXTENSION OF THE PROMPT PAYMENT TASK FORCE TO DEVELOP RECOMMENDATIONS TO ADDRESS ISSUES THAT AFFECT PROCUREMENT FOR GOODS AND SERVICES PURCHASED THROUGH NONPROFIT ORGANIZATIONS, INCLUDING HUMAN SERVICE NONPROFIT ORGANIZATIONS THAT DELIVER PIVOTAL GOODS AND SERVICES TO INDIVIDUALS, FAMILIES, COMMUNITIES, AND OTHER SMALL BUSINESSES.

Chairs Fukunaga and Espero, Vice Chairs Wakai and Kidani, and members of the committees, thank you for the opportunity to provide comments on S.C.R.40, S.D. 1

The Office of Information Management and Technology (OIMT) supports the overall intent of the proposed resolution to continue the work of the prompt payment taskforce through the end of December 2012. However, as the current draft of the resolution requests the task force to develop the scope of a dashboard demonstration project, we respectfully ask that the Committee also name the Chief Information Officer (CIO) as a member of the task force to ensure that the identified project is in line with the future technology vision for the State and that the scope is adequately defined and successfully achieved.

Thank you for the opportunity to comment on this matter.



**STATE OF HAWAII
STATE PROCUREMENT OFFICE**

P.O. Box 119
Honolulu, Hawaii 96810-0119
Tel: (808) 587-4700 Fax: (808) 587-4703
<http://hawaii.gov/spo>

COMMENTS
OF
AARON S. FUJIOKA
ADMINISTRATOR
STATE PROCUREMENT OFFICE

TO THE
SENATE COMMITTEES
ON
ECONOMIC DEVELOPMENT AND TECHNOLOGY
AND
PUBLIC SAFETY, GOVERNMENT OPERATIONS, AND MILITARY AFFAIRS

March 9, 2012

2:45 PM

SCR 40, Proposed SD 1

REQUESTING THE RENAMING OF AND THE EXTENSION OF THE PROMPT PAYMENT TASK FORCE TO DEVELOP RECOMMENDATIONS TO ADDRESS ISSUES THAT AFFECT PROCUREMENT FOR GOODS AND SERVICES PURCHASED THROUGH NONPROFIT ORGANIZATIONS, INCLUDING HUMAN SERVICE NONPROFIT ORGANIZATIONS THAT DELIVER PIVOTAL GOODS AND SERVICES TO INDIVIDUALS, FAMILIES, COMMUNITIES, AND OTHER SMALL BUSINESSES.

Chair Fukunaga and Espero, Vice-Chair Wakai and Kidani, and committee members, thank you for the opportunity to submit comments on SCR 40, Proposed SD 1. The resolution is requesting to rename the prompt payment task force to the purchase of services procurement task force, and to extend its existence to December 31, 2012.

The resolution's listed tasks are not exclusive to the procurement process, but rather the way the services are planned, delivered and compensated.

For example, Page 3, lines 34-36, (1) ". . . issues from the initial contract phase through service delivery, and issues relating to payment. . ." is not a procurement issue. These are planning, contract management and payment issues.

SCR 40, Proposed SD 1-Comments
Senate Committees on Economic Development and Technology
and Public Safety, Government Operations and Military Affairs
March 9, 2012
2:45 PM
Page 2

Page 3, line 38-41, (2) "Identify areas that can be simplified and standardized between government agencies, . . ." is not a procurement issue. It is largely an operational and planning matter.

A more accurate and appropriate name is government contracting task force. "Government contracting" is more encompassing and includes planning, procurement, contract management and payment. These four activities are related but are distinctly different. The procurement process is limited in breadth and is the process used to procure provider(s) to deliver services to implement departmental policy decisions.

The State Procurement Office recommends that the name of the task force be changed to the government contracting task force. Thank you.