



STATE OF HAWAII
DEPARTMENT OF EDUCATION
P.O. BOX 2360
HONOLULU, HAWAII 96804

Date: 02/09/2018
Time: 02:45 PM
Location: 229
Committee: Senate Education
Senate Government Operations

Department: Education

Person Testifying: Dr. Christina M. Kishimoto, Superintendent of Education

Title of Bill: SB 2532 RELATING TO PROCUREMENT.

Purpose of Bill: Allows a principal of a public school to enter into contracts for goods, services, and construction valued at less than \$25,000.

Department's Position:

The Department of Education does not support SB 2532 as there already exists a delegation of procurement and contracting authority to the School Principals, Deputy Superintendent, Assistant Superintendents, Complex Area Superintendents, Directors, and Section Administrators for small purchase solicitations and their resultant contracts to make purchases of goods and services less than \$25,000 when not utilizing an electronic procurement system. Also, the procurement of goods and services do not limit delegated authority when the following apply:

1. Exempt purchases as provided by the Hawaii Revised Statutes and/or Hawaii Administrative Rules (i.e. research, reference and educational materials such as textbooks, workbooks, kits, guides, etc., used in schools, libraries and employee training);
2. Price and vendor list purchases and their resultant contracts; and
3. Agreements for use/rental of non-DOE Facilities utilizing small purchase or procurement exemption.

The Department of Education also opposes the authority for school level personnel to enter into contracts for the procurement of construction because the necessary expertise does not exist within school level personnel to undertake construction projects in compliance with the various laws and regulations applicable to construction projects. A specific example is the applicability of HRS sec.104-2 to construction contracts in excess of \$2,000.00.

The Hawaii State Department of Education seeks to advance the goals of the Strategic Plan which is focused on student success, staff success, and successful systems of support. This is achieved through targeted work around three impact strategies: school design, student voice,

and teacher collaboration. Detailed information is available at www.hawaiipublicschools.org.

DAVID Y. IGE
GOVERNOR



SARAH ALLEN
ADMINISTRATOR
MARA SMITH
ASSISTANT ADMINISTRATOR

**STATE OF HAWAII
STATE PROCUREMENT OFFICE**

P.O. Box 119
Honolulu, Hawaii 96810-0119
Tel: (808) 586-0554
email: state.procurement.office@hawaii.gov
<http://spo.hawaii.gov>
Twitter: [@hawaiispo](https://twitter.com/hawaiispo)

TESTIMONY
OF
SARAH ALLEN, ADMINISTRATOR
STATE PROCUREMENT OFFICE

TO THE SENATE COMMITTEES
ON
EDUCATION
AND
GOVERNMENT OPERATIONS

SENATE BILL 2532
RELATING TO PROCUREMENT

Chairs Kidani and Kim, Vice Chairs Kahele and Ruderman, and members of the committees, thank you for the opportunity to submit testimony on SB2532. The State Procurement Office (SPO) opposes this bill as it creates unnecessary language in existing statute that already currently allows the chief procurement officer (CPO), of the Department of Education, to delegate procurement authority to any agency or official within its jurisdiction.

Pursuant to "... 103D-208, HRS Delegation of authority by the chief procurement officer. Subject to the rules of the policy board, each chief procurement officer may delegate any authority or duty conferred upon the chief procurement officer by this chapter to designees or to any department, agency or official within their respective jurisdictions..."

Therefore, the decision to delegate procurement authority of \$25,000 to public school principals already exists. Further, it should remain at the discretion of the CPO of the Department of Education as the CPO is ultimately responsible.

Thank you.