Purchasing Workshop
for JABSOM Administrators Meeting
University of Hawaii
John A. Burns School of Medicine
Office of Fiscal & Administrative Affairs
January 9, 2014
Procurement

The buying, purchasing, renting, leasing, or otherwise acquiring of goods, services, or construction including all functions that pertain to the obtaining of goods, services, or construction such as description of requirements, selection and solicitation of sources, preparation and award of contracts and all phases of contract administration.
Procurement

Taxpayers’ $$$

Hawaii Public Procurement Code (Chapter 103D, Hawaii Revised Statutes)

State Procurement Office (SPO)

UH Office of Procurement and Real Property Management (OPRPM)

RCUH Procurement Office
# Parceling

## What is parceling?
- Artificial or intentional division or fragmentation of a purchase of same, like, or related items of goods, services, or construction into several purchases of smaller quantities, in order to evade competitive procurement requirements.

## How to avoid parceling?
- Consolidate purchases
  - The higher the price of a group of purchases
  - The more similar the purchases
  - The more likely to obtain from one vendor
  - The more foreseeable the purchases
## Dollar Thresholds

<table>
<thead>
<tr>
<th>UH</th>
<th>RCUH</th>
</tr>
</thead>
</table>
| • $0.00 - $2,500.00  
  • Quotations recommended, but not required  
  • $2,500.01 ≤ $100,000.00  
  • 3 Electronic Written Quotations  
  • SuperQuote (SQ) (Mandatory)  
  • [www.commercepoint.com](http://www.commercepoint.com)  
  • ≥ $100,000.01  
  • 3 Written Formal Bids  
  • Invitation for Bids (IFB) (Mandatory) | • $0.00 - $2,499.00  
  • Quotations recommended, but not required  
  • $2,500.00 ≤ $14,999.00  
  • 3 Verbal Quotations  
  • [Attachment 25 Record of Verbal Quotations](http://Attachment%2025%20Record%20of%20Verbal%20Quotations) (Recommended)  
  • ≥ $15,000.00  
  • 3 Written Quotations  
  • [Attachment 26 Request for Quotation](http://Attachment%2026%20Request%20for%20Quotation) (Recommended) |
Source Selection Methods:

Select Only One Method For Each Purchase Over $2,500

- SPO Price/Vendors Lists
- Exempt
- Sole Source
- Request for Quotations/SuperQuote
- Competitive Sealed Bidding (Invitation for Bids)
- Competitive Sealed Proposals (Request for Proposals)
Source Selection Methods: SPO Price/Vendor Lists

**Definition**
Price/Vendor lists for various commodities made available to participating State of Hawaii agencies
(Refer to JABSOM OFAA Blog Site for link to SPO PL/VL)

**Dollar Amount**
Refer to specific PL/VL

**Required Forms**
Refer to specific PL/VL

**Submit to Fiscal**
- Requisition
- Quotations
- Applicable Forms (if any)
- Applicable Emails/Documentation (if any)
**Source Selection Methods: Exempt**

**Definition**

Competitive solicitation not required for qualified purchases

(Refer to APM A8.220, Section 9, for list of Exemptions)

**Dollar Amount**

$> 2,500$

**Required Forms**

Determination of Cost or Price Reasonableness

**Submit to Fiscal**

- Requisition
- Determination of Cost or Price Reasonableness
- Quotation
- Applicable Emails/Documentation (if any)
Source Selection Methods: Sole Source

**Definition**
Unique, Essential Item available from only ONE Vendor
(Refer to APM A8.255 for list of Pre-Approved Sole Sources)

**Dollar Amount**
> $2,500

**Required Forms**
- Sole Source (unless using Pre-Approved Sole Source)
- Determination of Cost or Price Reasonableness
- Agreement for Services (if applicable)

**Submit to Fiscal**
- Requisition
- Sole Source
- Determination of Cost or Price Reasonableness
- Agreement for Services (if applicable)
- Quotation
- Applicable Emails/Documentation (if any)
Source Selection Methods: Request for Quotations/SuperQuote

**Definition**
Obtain quotations for purchase of goods/services

**Basis for Award**
- Lowest Quotation
  - **UH SQ:** $2,500.01 < $100,000.00
  - **RCUH:** > $2,500

**Dollar Amount**
- **UH SQ:** $2,500.01 < $100,000.00
- **RCUH:** > $2,500

**Required Forms**
- OPRPM Form 144 Sole Brand Justification (if applicable)
- Agreement for Services (if applicable)
- Determination of Cost or Price Reasonableness (if applicable after solicitation)

**Submit to Fiscal**
- Requisition
- Technical Specifications
- OPRPM Form 144 Sole Brand Justification (if applicable)
- Agreement for Services (if applicable)
- Applicable Emails/Documentation (if any)
- Determination of Cost or Price Reasonableness (if applicable after solicitation)
Source Selection Methods:

Competitive Sealed Bidding (Invitation for Bids)

<table>
<thead>
<tr>
<th>Definition</th>
<th>Basis for Award</th>
<th>Dollar Amount</th>
<th>Required Forms</th>
<th>Submit to Fiscal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Obtain quotations for purchase of goods/services</td>
<td>Lowest Bid</td>
<td>&gt; $100,000.01</td>
<td>OPRPM Form 68 Information Required for Formal Bid</td>
<td>OPRPM Form 68 Information Required for Formal Bid</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>OPRPM Form 144 Sole Brand Justification (if applicable)</td>
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<td></td>
<td></td>
<td></td>
<td>Determination of Cost or Price Reasonableness (if applicable after solicitation)</td>
<td>Technical Specifications</td>
</tr>
<tr>
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<td></td>
<td>Applicable Emails/Documentation (if any)</td>
</tr>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>Determination of Cost or Price Reasonableness (if applicable after solicitation)</td>
</tr>
</tbody>
</table>
**Source Selection Methods:**

**Competitive Sealed Proposals (Request for Proposals)**

<table>
<thead>
<tr>
<th>Definition</th>
<th>Basis for Award</th>
<th>Dollar Amount</th>
<th>Required Forms</th>
<th>Submit to Fiscal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Obtain proposals for purchase of goods/services</td>
<td>Best Value Based on Cost and Evaluation Criteria</td>
<td>&gt;$25,000</td>
<td></td>
<td>Technical Specifications including Evaluation Criteria</td>
</tr>
<tr>
<td></td>
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<td></td>
<td></td>
<td>Applicable Emails/ Documentation (if any)</td>
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# Certificate of Compliance

**Hawaii Compliance Express:**
[vendors.ehawaii.gov](vendors.ehawaii.gov)

<table>
<thead>
<tr>
<th>Tax Clearance</th>
<th>Labor Certificate</th>
<th>Certificate of Good Standing</th>
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</table>
| • Department of Taxation (DOTAX)  
  • Internal Revenue Service (IRS)  
  • UH: Depends on source selection method  
  • RCUH: > $25,000 (services) | • Department of Labor & Industrial Relations (DLIR)  
  • UH: Depends on source selection method  
  • RCUH: N/A | • Department of Commerce & Consumer Affairs (DCCA)  
  • UH: Depends on source selection method  
  • RCUH: N/A |
Certificate of Compliance

Required for the following Source Selection Methods:

- Exempt > $25,000
- Sole Source
- Request for Quotations/SuperQuote
- Competitive Sealed Bidding (Invitation for Bids)
- Competitive Sealed Proposals (Request for Proposals)
# Federal Purchases

<table>
<thead>
<tr>
<th>&gt; $30,000</th>
<th>Equipment</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Certification Regarding Debarment, Suspension, Proposed Debarment, and Other Responsibility Matters</td>
<td>• UH Form 39 Authorization to Purchase Equipment with Federal Contract or Grant Funds</td>
</tr>
<tr>
<td>• Certification and Disclosure Regarding Payments to Influence Certain Federal Transactions</td>
<td>• Equipment Inventory Form</td>
</tr>
</tbody>
</table>
## Resources

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<tr>
<td>JABSOM Office of Fiscal &amp; Administrative Affairs</td>
<td><a href="http://blog.hawaii.edu/ofaa">http://blog.hawaii.edu/ofaa</a></td>
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