

**REVISED
ADMINISTRATIVE
PROCUREMENT
PROCEDURES**

Section A8.200- A8.295

Fiscal Personnel Training
December 2 – 3, 2003

NOTE

The following PowerPoint training presentation provides a review of the major revisions to the University's Administrative Procurement Procedures, to be effective January 1, 2004.

The slides set forth sections in the procedures to which significant changes are being made. Highlighted text does not necessarily indicate revised language, but rather is intended to set forth important requirements of a particular section. Each slide should be reviewed in its entirety to gain a complete understanding of the particular procurement provision covered.

You are also encouraged to review the revised administrative procedures in their entirety which are available for viewing at the following temporary site:

[http://www.hawaii.edu/svpa/apm/
new_a8200.html](http://www.hawaii.edu/svpa/apm/new_a8200.html)

If you have any questions regarding the revised procedures, please feel free to contact the Office of Procurement and Real Property Management at (808) 956-8687.

A8.200 Overview

4. Board Approval

In accordance with Section 8-1 of the Board of Regents' Bylaws and Policies, the following University contracts for the procurement of goods, services and construction shall require the **prior approval of the Board of Regents**:

- a. Contracts for goods or services **exceeding \$500,000**;
- b. Construction contracts, including those for repair and maintenance projects, **exceeding \$500,000**;
- c. **Consultant** contracts **exceeding \$100,000** or which **impact Board policies or University programs, regardless of amount** or source of funding, as further delineated in APM Section A8.230; or
- d. **Any procurement contract**, regardless of amount or source of funding, which is anticipated to have a **significant impact on University policy, programs or operations, or have a systemwide impact**.

A8.220 General Principles

4. Parceling of Purchases

a. These procedures specifically prohibit parceling which is defined as the **intentional** division or fragmentation of a purchase of same, like, or related items of goods, services, or construction into several purchases of smaller quantities, **so as to purposely evade** limits of delegated purchasing authority or other procurement requirements.

A8.220 General Principles

8. Procurement Violations

a. Most procurement violations are normally inadvertent, and the result of administrative error, lack of knowledge, or simple carelessness. However, some violations may involve intentional action or conduct which an employee knows to be contrary to the requirements of the Administrative Procedures Manual. Appropriate action may be taken in accordance with the relevant collective bargaining agreements and Board of Regents' Policies.

b. The OPRPM shall conduct investigations of procurement violations and its findings shall be forwarded to the Vice President for Administration and Chief Financial Officer for corrective action.

c. Procurement violations which have been determined to be **intentional in nature** shall be referred to the Office of the University General Counsel for coordination with appropriate law enforcement authorities for **possible criminal prosecution**.

A8.220 General Principles

10. Exempt Procurements

a. The following procurements are exempt from the standard methods of source selection:

- 24) Purchases made under **cooperative purchasing agreements** in which the University participates with other educational institutions and/or other governmental purchasing jurisdictions;
- 28) New or used items which are advantageous and available on short notice through an **auction, bankruptcy, or foreclosure**;
- 43) Consultant services **to study or review University programs and/or operations**; and

A8.220 General Principles

10. Exempt Procurements (Cont.)

All purchases processed on the basis of any of the above exemptions should cite the following statement on the purchase order or contract:

"Exempt purchase, pursuant to APM Section A8.220, Exemption No. _____ (cite exemption number from the above list)."

A8.220 General Principles

10. Exempt Procurements (Cont.)

b. If a University department believes that a situation exists wherein procurement by **standard competitive methods** would be either **not practicable or not advantageous**, a **request to procure** the goods, services, or construction **by exemption** may be made to the Office of Procurement and Real Property Management for forwarding to the **President for approval**. The Request for Exemption From Standard Methods of Source Selection shall include the following information:

A8.220 General Principles

10. Exempt Procurements (Cont.)

1) An **explanation** describing how procurement by standard competitive means is either **not practicable or not advantageous** to the University;

2) **Details** of the **process** or procedures to be followed **in selecting the vendor** to ensure as fair and open competition as practicable; and

3) A description of the **department's internal controls and approval requirements** for the exempted procurement, and a list of University personnel, by position title, who will be involved in the approval process and administration of the contact.

A8.220 General Principles

10. Exempt Procurements (Cont.)

OPRPM Form 138, Request for Exemption from Standard Methods of Source Selection (**Attachment 220.3**) shall be used for this purpose.

In determining whether to approve the Request for Exemption from Standard Methods of Source Selection, the **President shall consider the circumstances of each individual case.**

All purchases made pursuant to an approved Request for Exemption from Standard Methods of Source Selection should cite, for audit purposes, the following statement on the purchase order or contract:

“Exempt purchase, pursuant to approval of the President under APM Section A8.220.”

A copy of the approved Exemption Request should be maintained in the procurement file.

OPRPM Form 138
(12/2003)

REQUEST FOR EXEMPTION FROM STANDARD METHODS OF SOURCE SELECTION

TO: OFFICE OF PROCUREMENT AND REAL PROPERTY MANAGEMENT

FROM: _____
(Department/Program)

RE: REQUEST FOR EXEMPTION FROM STANDARD METHODS OF SOURCE SELECTION

Pursuant to APM Section A8.220, the Department requests a procurement exemption to purchase the following:

Description of goods and services:

Estimated Cost: \$ _____

(1) Explanation describing how procurement by standard competitive means is either not practicable or not advantageous to the University;

(2) Details of the process or procedures to be followed in selecting the vendor to ensure as fair and open competition as practicable;

(Attach Additional Sheets if Necessary)

(3) A description of the Department's internal controls and approval requirements for the exempted procurement; and

(4) A list of Department personnel, by position title, who will be involved in the approval process and administration of the contract:

Direct questions to: _____ Phone: _____

I CERTIFY THAT THE INFORMATION PROVIDED ABOVE IS TO THE BEST OF MY KNOWLEDGE, TRUE AND CORRECT.

Full Name of Principal Investigator, Department Head, or Administrator

Signature Date

Full Name of Fiscal Officer

Signature Date

FOR OPRPM USE ONLY

OPRPM COMMENTS:

This exemption should be considered for inclusion of the listing of exempt procurements provided in APM A8.220: Yes _____ No _____

APPROVED _____ DENIED

A8.220 General Principles

11. Procurement Protests

a. Protests concerning a University procurement action shall be made in writing to the Procurement Officer **within FIVE (5) working days** after the protestor knows or should have known of the facts giving rise therein. A protest is considered filed when received by the Procurement Officer. **Protests filed after the five-day period shall not be considered.**

b. Protestors may file a protest on any phase of solicitation or award including but not limited to the preparation and issuance of the solicitation document, the evaluation of offers, and the award of a contract or purchase order.

c. To expedite handling of protests, the envelope should be labeled "Protest" and either served personally or sent by registered or certified mail, return receipt requested, to the Procurement Officer. The written protest shall include as a minimum the following:

- 1) The name and address of the protestor;

A8.220 General Principles

11. Procurement Protests (Cont.)

2) Appropriate identification of the procurement, and, if a purchase order or contract has been awarded, its number;

3) A statement of reasons for the protest; and

4) Supporting exhibits, evidence, or documents to substantiate any claims unless not available within the time provided for filing, in which case the expected availability date shall be indicated.

d. The notice of protest shall be deemed communicated and filed within FORTY-EIGHT (48) hours from the time of mailing, if mailed as provided in this section, or communicated and filed when received personally by the Procurement Officer.

e. The Procurement Officer shall **render a decision** on a protest **as expeditiously as possible** after receiving all relevant information as requested.

A8.225 Limitations in Purchasing

1. Items Not To Be Purchased

The following items and similar items **of a personal nature** will not be purchased or paid for with University controlled funds:

Attache/brief cases

Christmas cards and decorations

Clothing, **unless** provided for by a collective bargaining agreement or **needed to meet operational requirements of a University program**

Contributions or donations to various causes

Desk clocks

Library fines

Medication

Name plates, personalized

Pen and pencil desk set

A8.225 Limitations in Purchasing

1. Items Not To Be Purchased (Cont.)

Personally inscribed appointment books

Personally inscribed stationery and related supplies

Personal laundry service

Personal parking space rental **unless provided for by contract or collective bargaining agreement**

Repairs to personally-owned property

Professional fees for University employees, e.g., bar dues, professional license fees, etc.

Sympathy, greeting and thank you cards

Tips **unless required as part of an authorized meal service under section A8.265**

Traffic fines and towing charges

A8.225 Limitations in Purchasing

1. Items Not To Be Purchased (Cont.)

Exception to the above may be granted by **Vice Presidents or Chancellors for purchases within the delegated purchasing authority of departmental units** under their direction and fiscal jurisdiction **upon a showing of sufficient justification or extenuating circumstances**. Requests for exception for all **purchases exceeding such delegated purchasing authority** shall be forwarded to the **OPRPM for approval**. Documentation of such approvals should be retained in the procurement file.

This list is not intended to be exhaustive and payments for other expenditures deemed inappropriate may be disapproved.

A8.225 Limitations in Purchasing

2. Unauthorized Purchases

Outside the OPRPM, **a purchase may be initiated only by a person who has been properly delegated authority** to enter into a contract for such purchase. Whenever an employee of the University procures or enters into a contract to procure goods, services or construction without such authorization or in violation of applicable law or established University policy, this procurement and the liability resulting therefrom shall not be honored by the University and the employee shall be personally liable for the cost. Although the personal purchase of goods, services and construction by a University employee and subsequent request for reimbursement are generally not permitted under University procurement procedures (**with the exception of appropriate purchases through use of a properly issued University purchasing card**), there are occasions when this method of acquisition may be considered appropriate, e.g., postage costs for urgent mail, copying costs for documents needed immediately. However, this method of acquisition should be used **only for very small purchases which do not exceed an amount deemed reasonable by the fiscal officer** and, if possible under the circumstances, **when the fiscal officer has approved the purchase in advance**. All purchases, regardless of the source of funds, are to be handled in accordance with established University policies and procedures.

A8.230 Contracting for Services

3. Definitions

a. Consultant Contract

means a contract engaging the services of a consultant where the predominant service to be rendered is advice or counsel in either verbal or written form. Included under this definition shall be contracts engaging individuals or firms to perform studies or evaluations of University programs, systems or procedures. **As provided by Board policy**, consultant services would include, but not be limited to, the services of **architects, engineers, designers, financial advisers, audit providers, and planners.**

A8.230 Contracting for Services

5. Limitations

a. **Prior approval of the Board of Regents** is required for:

- 1) **all consultant contracts** which **exceed \$100,000**, including expenses;
- 2) **all consultant contracts, regardless of cost**, which:
 - a) involve **the study or review of University programs and/or operations** for the purpose of recommending courses of action which are anticipated to **require changes in Board policies** and/or have **significant impact** on policy, programs or operations; or
 - b) have a **systemwide impact**. This requirement of Board approval **may not be circumvented by parceling** the amount of the contract or **by engaging the services of consultants through entities or organizations other than the University of Hawaii**.

A8.230 Contracting for Services

7. Responsibility

a. Programs requiring services are responsible for:

2) For services to be acquired in dollar amounts within departmental purchasing authority, a **purchase order should be issued for services of less than \$15,000**. A University of Hawaii Services Contract, **OPRPM Form 63, Attachment 230.5, together with a purchase order** for encumbrance and payment purposes, shall be used **for services of \$15,000 to the limits of departmental purchasing authority**. Fiscal officers are authorized to execute the University of Hawaii Services Contract, OPRPM Form 63, **Attachment 230.5**, within their purchasing authority and together with the fully executed contract, fiscal officers shall issue a purchase order for purposes of encumbrance of funds and payment.

A8.235 Competitive Sealed Bidding

1. Conditions for Use

a. When Is Competitive Sealed Bidding Required?

All procurements **exceeding \$100,000** for goods, services, and construction shall be awarded by competitive sealed bidding except as otherwise provided in these procedures, i.e., competitive sealed proposals, professional services procurement, small purchases, sole source procurement, emergency procurement or exempt procurement.

A8.235 Competitive Sealed Bidding

1. Conditions for Use (Cont.)

b. Exemptions from Competitive Bidding

It has been determined that the advertised Competitive Sealed Bidding procedures for purchases of commodity goods and services are not practicable or advantageous for the University. Such **purchases of commodity goods and services** are more practicably and advantageously handled through the **SuperQUOTE** request for quotation (RFQ) process. (Instructions on preparing a Request For Quotation on SuperQUOTE may be accessed at www.commercepoint.com)

"Commodity" items are defined as goods and services which are **sold on an off-the-shelf basis**, such as computer hardware and software programs or packages which are typically provided under standard terms and conditions and installed by the end-user, and items that are procured without additional consulting or integration services. If an item involves **extensive customization, integration of services and multiple products, manufacturing from technical specifications**, or considerations in addition to price which are applicable to the selection of the vendor or in which contractual commitments are appropriate to protect the interests of the University, then the advertised competitive sealed bidding or proposals procedures should be used.

A8.235 Competitive Sealed Bidding

b. Exemptions from Competitive Bidding (Cont.)

1) Procedures for Purchase of Commodity Goods and Services via SuperQUOTE: An Overview

a) Requisitioner:

(1) **Prepares technical specifications** and sole brand justification (if applicable); and

(2) Transmits above documents to the appropriate fiscal officer.

A8.235 Competitive Sealed Bidding

b. Exemptions from Competitive Bidding (Cont.)

b) Fiscal Officer:

(1) **Reviews** and evaluates the technical specifications and sole brand justification (if applicable) received from the requisitioner;

(2) **Prepares** a memorandum to the Office of Procurement and Real Property Management (OPRPM) requesting assistance in soliciting quotations for the requisitioner; and

(3) **Forwards** above documents to the Office of Procurement and Real Property Management (OPRPM).

A8.235 Competitive Sealed Bidding

b. Exemptions from Competitive Bidding (Cont.)

c) Office of Procurement and Real Property Management:

(1) Reviews the technical specifications and **prepares request for quotation via SuperQUOTE** in accordance with APM Section A8.250.4;

(2) Receives and reviews quotations and makes award recommendation to requisitioner and/or fiscal officer; and

(3) Fiscal officer completes a requisition and prepares an electronically generated or carbon purchase order, if applicable (or FMIS-41, Contract Encumbrance and Payment Form, if contract is to be awarded) for the purchase. OPRPM approves and signs the purchase order (or prepares a contract document) and transmits it to the successful vendor.

A8.240 Competitive Sealed Proposals

1. Conditions for Use

The competitive sealed proposal method of source selection may be used when it is determined that competitive sealed bidding is neither practicable nor advantageous to the University.

a. Factors to be considered in determining whether competitive sealed bidding is not practicable or advantageous include:

1) Whether the **primary consideration** in determining award **may not be price**;

2) Whether the **requirements** for the goods, services or construction are **unable to be as sufficiently described** as in an invitation for bids;

A8.240 Competitive Sealed Proposals

1. Conditions for Use (Cont.)

3) Whether oral or written **discussions may need to be conducted with offerors** concerning technical and price aspects of their proposals;

4) Whether offerors may need to be afforded the **opportunity to revise their proposals**, including price; and

5) Whether **award may need to be based upon a comparative evaluation** as stated in the request for proposals of differing **price, quality, and contractual factors** in order to determine the most advantageous offer to the University. Quality factors include technical and performance capability and content of the technical proposal.

A8.240 Competitive Sealed Proposals

12. Award of Contract

A contract shall be awarded under competitive sealed proposals to the responsive, responsible offeror whose proposal is **determined in writing to be the most advantageous to the University** taking into consideration price and the **evaluation factors provided in the request for proposals. Other factors and criteria may not be used in the evaluation.**

A8.245 Professional Services Procurement

1. Public Notice for Professional Services

a. As often as may be necessary, the University may give **public notice to invite** persons engaged in performing designated professional services to submit current **statements of qualifications** and expressions of interest **for services which the University anticipates needing in the performance of its operations**. The statements shall include:

1) The name of the firm or person, the principal place of business, and location of all of its offices;

2) The age of the firm and its average number of employees over the past five years;

A8.245 Professional Services Procurement

1. Public Notice for Professional Services (Cont.)

3) The education, training, and qualifications of key members of the firm;

4) The names and phone number of up to five clients who may be contacted, including at least two for whom services were rendered during the preceding year; and

5) Any promotional or descriptive literature which the firm desires to submit.

Firms or persons may amend statements of qualifications at any time by filing a new statement and shall immediately inform the University of any change in their submission that would disqualify the firm or person from being considered for a contract award.

A8.250 Small Purchases

1. General

Any procurement **less than \$100,000** for goods, services and construction shall be made in accordance with procedures set forth herein. The purpose of these procedures is to promote economy, efficiency, and effectiveness in the procurement of goods and services and the construction of public works for the University.

Multiple expenditures shall not be created at the inception of a transaction so as to evade the bidding procedures for formally advertised procurements, and procurement requirements shall not be artificially divided or parceled so as to constitute a small purchase under this section.

A8.250 Small Purchases

4. Solicitation of Quotations via SuperQUOTE

a. Guidelines

Instructions on the use of SuperQUOTE may be accessed at www.commercepoint.com.

b. Purchases Not Exceeding \$2,500

University programs should seek to obtain adequate and reasonable competition for purchases not exceeding \$2,500 through the solicitation of quotations utilizing the SuperQUOTE electronic system or other means. However, **no minimum number of quotations is required for such purchases.**

A8.250 Small Purchases

4. Solicitation of Quotations via SuperQUOTE (Cont.)

c. Purchases Totaling more than \$2,500 But Not Exceeding \$100,000

Insofar as it is practical and based on the University's specifications, adequate and reasonable competition shall be **solicited via SuperQUOTE**, the electronic on-line request for quotations system.

A8.250 Small Purchases

4. Solicitation of Quotations via SuperQUOTE (Cont.)

d. Schedule of Thresholds for Purchasing Utilizing SuperQUOTE

The following schedule summarizes the solicitation of quotations via SuperQUOTE:

<u>Dollar Amount</u>	<u>No./Type of Quotations Solicited</u>
0 - \$2,500	Electronic quotations via SuperQUOTE are recommended but not required. No minimum number of quotations is required.
\$2,500.01 - \$100,000	All electronic quotations via SuperQUOTE.

A8.250 Small Purchases

e. Exceptions to the Requirements for Electronic Quotations via SuperQUOTE

Solicitation of electronic quotations via SuperQUOTE is not required for the following purchases:

- 1) Procurements for **construction** projects;
- 2) Procurements of **professional services**;
- 3) Purchases of **airline tickets**; and
- 4) **Purchases where the use of SuperQUOTE is not practical or advantageous, as approved in advance by OPRPM.**

A8.250 Small Purchases

5. Solicitation of Quotations Exempt from SuperQUOTE

a. Purchase Not Exceeding \$2,500

Although University programs should seek to obtain adequate and reasonable competition through the solicitation of quotations, **no minimum number of quotations is required for such purchases.**

b. Purchases Totaling More Than \$2,500 But Not Exceeding \$25,000

Insofar as it is practical and based on the University's specifications, adequate and reasonable competition of **no less than three verbal or written quotations** shall be solicited; however, **written quotations shall be solicited for all construction requirements.**

Upon award, a written quotation should be obtained as supporting documentation for the purchase request.

A8.250 Small Purchases

5. Solicitation of Quotations Exempt from SuperQUOTE (Cont.)

c. Expenditures Totaling More Than \$25,000 But Not Exceeding \$100,000

Insofar as it is practical and based on the University's specifications, adequate and reasonable competition of **no less than five written quotations shall be solicited.**

A8.250 Small Purchases

5. Solicitation of Quotations Exempt from SuperQUOTE (Cont.)

d. Schedule of Thresholds for Purchases Exempt from SuperQUOTE

The following schedule shall be used as a guideline for soliciting quotations for construction and other small purchases not utilizing SuperQUOTE:

<u>Dollar Amount</u>	<u>No./Type of Quotations Solicited</u>
0 - \$2,500	No minimum number of quotations is required.
\$2,500.01 - \$25,000	3 or more written or verbal quotations (Written quotations shall be solicited for all construction requirements.
\$25,000.01 - \$100,000	5 or more written quotations.

A8.250 Small Purchases

15. Purchase Order Changes

a. General

1) A purchase order change is written documentation of a change or modification to a purchase order after it has been issued to the vendor. Purchase order changes serve as formal notification to the vendor of a change to a previously issued purchase order, and should be used to clarify the order specifications, thereby minimizing potential liability to University departments and personnel relating to the order. Accordingly, while a purchase order change would generally not be required for minor or non-substantial modifications, **purchase order changes should be issued when there are significant modifications to material elements of the order, as determined by the fiscal officer**, which affect **price** (e.g., quantity, unit price, total dollar amount, etc.), **delivery** (e.g., delivery date or method, etc.), or **terms** (e.g., item specifications, payment terms, period of performance, etc). In addition, when the modification, even if minor, would result in a purchase which exceeds the limits of a fiscal officer's purchasing authority, a purchase order change should be issued.

A8.250 Small Purchases

15. Purchase Order Changes (Cont.)

2) **Examples** of conditions which would **call for the issuance of a purchase order change** to the vendor include:

- (a) Increase or decrease in **quantity**;
- (b) **Significant** increase in total dollar amount;
- (c) Changes to purchase orders issued by OPRPM;
- (d) Changes to purchase orders which result in a purchase which **exceeds the limits of a fiscal officer's purchasing authority**;
- (e) Changes which would **significantly alter the original specifications** of the item(s) to be purchased or would **significantly modify the terms** of the purchase;
- (f) **Changes in delivery** dates or method of delivery;
- (g) Partial or total **cancellation** of the order.

A8.250 Small Purchases

15. Purchase Order Changes (Cont.)

3) **Examples** of conditions which would **not necessitate** the issuance of a **purchase order change** to the vendor include:

- (a) **Vendor-initiated decrease in quantity** about which the University is notified in writing by the vendor due to its inability to fulfill the order;
- (b) **Price increases of a non-substantial amount**, as determined by the fiscal officer, for purchase orders issued under the fiscal officer's purchasing authority and which would not result in a purchase which exceeds that authority;
- (c) Addition of or **changes to tax, shipping charges or insurance, in any dollar amount deemed reasonable by the fiscal officer**, on purchase orders issued under the fiscal officer's purchasing authority and which would not result in a purchase which exceeds that authority;
- (d) **Any decrease in dollar amount.**

A8.255 Sole Source Procurement

1. Conditions for Use

d. When an item is unique, but is available from more than one supplier, the purchase shall be considered a **"sole brand"** purchase rather than a sole source purchase and shall be subject to a request for quotations. The required item, however, will be designated by brand name and model number. **Except for purchases not exceeding \$2,500 and exempt purchases under Section A8.220**, all requests for sole brand purchases must be justified.

OPRPM Form 144, Sole Brand

Justification (Attachment 255.2) shall be completed for this purpose. Sole brand purchases not within a fiscal officer's purchasing authority shall be submitted to a designated departmental fiscal officer with greater purchasing authority or to the OPRPM, as applicable, for review and execution.

OPRPM Form 144
(12/2003)

Sole Brand Justification

To: _____ Date: _____
Name of Fiscal Officer

FROM: _____ Telephone No.: _____
Name of Principal Investigator, Department Head, Administrator

Dept.: _____

SUBJECT: Sole Brand Justification
Description _____

Purpose:

This form must accompany competitive procurements of goods, services or construction where only a single brand will be considered (purchases from cooperative purchase agreements and price lists excepted). The purpose of sole brand justification is to show that only one brand of a product or service can meet a specific need. Therefore, an equitable evaluation of different brands of comparable products or services must be made and documented which shows that rejection of other brands of products or services is based solely on their failure to meet that need. Sole brand justification cannot be based on quality or price because quality can be a subjective evaluation based on opinion and price considerations should be evaluated via competitive quotations.

Statement:

I. The requested brand of goods, services or construction has unique or special design/performance features, characteristics or capabilities which are essential and required in order to accomplish my objective. **Both A and B portions of this category must be answered.**

A. These features and reasons why each is essential to my needs are:

(2) B. In addition to the brand of goods, services or construction requested, I have contacted other suppliers and considered their product or service of similar capabilities. I find their product or service unacceptable for the following reasons (identify companies contacted, model number, if applicable, and specific technical deficiency):

II. If the requested brand of goods, services or construction is not purchased, it will have the following impact on the program/project:

Certification:

I certify that the information provided herein is true and correct to the best of my knowledge.

Full Name of Principal Investigator, Department Head, or Administrator

Signature

Date

APPROVED / DISAPPROVED:

Fiscal Officer / Director, Office of Procurement and Real Property Management (if applicable)

Date

A8.255 Sole Source Procurement

EXHIBIT A PROCUREMENTS APPROVED FOR SOLE SOURCE *(Cont.)*

Sole Source
No.

Sole Source

3. Procurement of computer software conversions, modifications, and maintenance for existing programs from the manufacturer of the software.
Criteria: When the conversion, modification, or maintenance can only be obtained from the manufacturer of the software.

4. For the **repair and maintenance of elevators and escalators by Original Equipment manufacturers** (OEMs), including but not limited to replacement of parts and modifications to equipment based on manufacturer enhancements.
Criteria: When comprehensive maintenance addressing safety issues and other operational requirements can only be obtained from the OEM of the elevator/escalator.

A8.260 Emergency Procurement

2. Procedures

- a. **Fiscal Officers are authorized to approve emergency expenditures within their purchasing authority.** For expenditures exceeding the fiscal officer's authority, the Fiscal Officer shall contact a designated departmental fiscal officer with greater purchasing authority or the Office of Procurement and Real Property Management (OPRPM), as applicable, for approval prior to proceeding with the emergency work.

A8.260 Emergency Procurement

2. Procedures (Cont.)

For purposes of securing such approval, the following information shall be obtained:

- 1) **Nature** of the emergency;
- 2) **Work to be done** including goods, services, or construction to be procured;
- 3) Name of **contractor** and reason for selection of the particular contractor;
- 4) **Estimated amount** of expenditure.

A8.260 Emergency Procurement

2. Procedures (Cont.)

Fiscal Officers are authorized to approve all emergency expenditures which must be made after normal working hours. For such purchases which exceed the fiscal officer's purchasing authority, notice and the foregoing information regarding such an expenditure should be provided to OPRPM as soon thereafter as reasonably possible.

b. **Such competition as is practicable** shall be obtained to assure that the required goods, services, or construction are procured in time to meet the emergency. If an award is made on the basis of only one quote, OPRPM Form 95 (**Attachment 285.1**), Determination of Cost or Price Reasonableness, shall be completed.

A8.265 Specialized Purchasing

9. Insurance

All requests for the purchase of insurance shall be submitted for **review and processing by the Office of Risk Management.**

10. Leis

a. To recognize distinguished guests, visiting dignitaries, and guest speakers, at University events and functions; and

A8.265 Specialized Purchasing

10. Leis (Cont.)

b. To honor retirees attending recognition ceremonies sponsored and presented by the President, Vice Presidents, or Chancellors.

Such expenditures shall be made only in amounts determined to be reasonable by the fiscal officer taking into consideration the nature of the University event or function.

22. Legal Services

All requests to retain attorneys to provide legal services to the University shall be submitted for **review and processing by the Office of the University General Counsel.**

A8.266 Purchasing Cards

3. Conditions for Use

a. The University of Hawaii Purchasing Card may be used for **purchases of \$2,500 or less** that are related to University business only.

4. Unauthorized and/or Inappropriate Card Use

a. A Cardholder who makes an unauthorized purchase with the Purchasing Card, or uses the Purchasing Card in an inappropriate manner, will be subject to card cancellation and/or disciplinary action, up to and including, termination of employment, in accordance with applicable collective bargaining agreements and University administrative procedures. In addition, the matter shall be referred to the Office of the University General Counsel for **appropriate civil action against the Cardholder to recover University funds expended as a result of the unauthorized and/or inappropriate use of the Purchasing Card.**

A8.275 Contract Administration

j. Disputes and Claims

3) **All contract disputes shall be immediately referred to the OPRPM.** Referred disputes shall be resolved as follows:

a) An **informal resolution** will be sought through discussions with the Contractor. If not satisfied, the Contractor may file a claim in writing to the Director, OPRPM, for a written decision;

A8.275 Contract Administration

j. Disputes and Claims (cont.)

b) The **Director, OPRPM**, shall render a **written decision within sixty (60) days** of the receipt of the claim, provided all necessary investigations can be made within that time. If the Director, OPRPM, is unable to decide the claim within sixty (60) days, the Contractor will be notified of the date when the decision will be made. The decision shall be mailed or otherwise furnished to the Contractor; and

c) The decision by the Director, OPRPM, shall be final and conclusive, unless fraudulent, or the Contractor brings an action seeking judicial review of the decision in a circuit court of the State of Hawaii within six (6) months from the date of receipt of the decision.

**Revised
Administrative
Procedures
Manual For
Viewing at
Temporary Site
Below:**

[http://www.hawaii.edu/svpa/
apm/new_a8200.html](http://www.hawaii.edu/svpa/apm/new_a8200.html)