

## UNIVERSITY OF HAWAII NOTICE OF EXEMPTION CHAPTER 103D, HRS

The President, University of Hawaii, is in the process of reviewing the request from  
Vice President for Community Colleges, Academic Affairs (Department/Campus)

for exemption from Chapter 103D, HRS, for the following goods and services:

Furnish and deliver ProVerifier Full Service Solution from ProEducation Solutions LLC which obtains electronic tax data from the Internal Revenue Service (IRS) on behalf of the student and/or parent through an IRS form 4506-T and uses the IRS' Income Verification Express Service which expedites the processing time of verifications. The automating of the financial verification process is critical to one the primary objectives of the University of Hawaii Community College Financial Aid Project Charter which aims to promote consistency and efficiency while reducing potential errors and audit findings.

**Vendor:** ProEducation Solutions LLC  
(If known)

**Address:**

258 Golden Gate Point  
Sarasota, Florida 34236

**Term of Contract:**  
(If known)

From: TBD

To:

Cost:  
\$79,800 (est) x 3 years

**Direct any inquiries to:**

Department: VPCC Academic Affairs, University of Hawaii Maui College

Contact Name/Title: Catherine Bio, Director of Student Success

Address: 310 W. Ka'ahumanu Avenue, Ka'a'ike 201  
Kahului, Hawaii 96732-1617

Phone Number:  
808-984-3614

Fax Number:  
808-984-3872

Date Posted: April 18, 2023

Submit written objections to this notice to issue an exemption from Chapter 103D, HRS, within seven (7) calendar days from the date posted to:

Office of Procurement Management  
1400 Lower Campus Road, Room 15  
Honolulu, Hawai'i 96822  
email: OPM@hawaii.edu

### REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS

TO: OFFICE OF PROCUREMENT MANAGEMENT

FROM: Vice President for Community Colleges, Academic Affairs

(Department/Program)

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

**Description of goods, services, or construction:**

Execution of a contract with ProEducation LLC (ProEd) to provide services to automatically verify federal financial student aid applications through a Full Service web-based portal solution that will obtain electronic tax data directly from the IRS on behalf of the student and/or parent (with electronic consent). ProEd has a Full Service Solution (ProVerifier software) which completes the verification process 100% electronically. ProVerifier is an automated verification software that compares electronic tax documents and Verification worksheets and automatically processes needed changes to FAFSA data.

Estimated Cost: \$ 79,800 x 3 years = \$239,400

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

See attached.

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

See attached.

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

A contract will be executed with ProEd with details of the scope of work, estimated number of verifications, time schedule, and pricing schedule. The Academic Affairs office will manage the contract and monitor the number of verifications processed and other services provided. Expenses will be subject to review, approval, and processing in accordance with the contract, and university policies and procedures.

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

Catherine Bio, Director of Student Success  
Bryson Ho, Fiscal Specialist  
Lisa Tzuhako, Fiscal Administrator

Direct questions to: Catherine Bio Phone: 808-984-3614

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

Della Teraoka

Full Name of Principal Investigator, Department Head, or Administrator

Digitally signed by Della Teraoka  
Date: 2023.04.14 10:37:01 -10'00'

Signature

Date

Lisa Tzuhako

Full Name of Fiscal Administrator

Digitally signed by Lisa Tzuhako  
Date: 2023.04.14 11:52:29 -10'00'

**Lisa Tzuhako**

Signature

Date

APPROVED:

Michael Unebasami

Full Name of Vice President or Chancellor

**Michael Unebasami**

Digitally signed by Michael Unebasami  
Date: 2023.04.14 11:59:14 -10'00'

Signature

Date

FOR OPM USE ONLY

OPM COMMENTS:

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\_\_\_\_\_  
\_\_\_\_\_  
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APPROVED



DENIED

*David Lassner*

Digitally signed by David Lassner  
Date: 2023.05.12 16:53:27 -10'00'

5/12/23

Attachment  
Form 138 – Request for Exemption from Chapter 103D, HRS  
ProEducation LLC

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

The ProEd ProVerifier solution has the ability to obtain electronic tax data directly from the IRS on behalf of the student and/or parent (with electronic consent) through an IRS form 4506-T and the use of the IRS' Income Verification Express Service. This capability expedites the processing time of verifications which directly impacts enrollment. The ProVerifier system has over 350+ proprietary "Smart Rules" that automatically compares all documents, identifies, and resolves all data conflicts virtually eliminating human error. This results in some verifications being complete on the same day. Automating the financial aid verification process is critical to one of the primary objectives of the UHCC Financial Aid Project Charter, which aims to promote consistency and efficiency while reducing potential errors and audit findings. Also, the ability for students to electronically submit and sign Verification documents has minimized the need for students to physically come to campus, and improve the student experience.

The UH Community Colleges had contracted with ProEducation to obtain their ProVerifier proprietary platform in 2021, and are currently using the system. A significant amount of time has been invested, over the last year mapping and integrating ProEd's platform with OnBase (UH's central repository for electronic forms). It would not be advantageous to the University to move to another vendor who does not have the same automated capability mentioned above. Also integrating a new system would create a hefty and substantial amount of duplicative work. In order to avoid delays to financial aid processing for Fall 2023, execution of a contract must be secured as soon as possible in order avoid disruption of services to students in processing financial aid awards.

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

Research was conducted on other vendors and although other vendors have the capacity to collect student and parent tax forms electronically from the student/parent, they do not have the ability to obtain data directly from the IRS. The other vendors provide students with the ability to upload their information directly to the vendor or to file a signed letter of non-filing to meet income verification requirements. ProEd's proprietary platform, ProVerifier, has the capability to obtain electronic tax data directly from the IRS on behalf of the student and/or parent (with electronic consent) through an IRS form 4506-T.