

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

The President, University of Hawaii, is in the process of reviewing the request from  
Office of the Vice President for Community Colleges (Department/Campus)  
for exemption from Chapter 103D, HRS, for the following goods and services:

This request is for a service contract to provide consultation and guidance in developing and aligning financial aid policies and procedures with National Associations of Student Financial Aid Administrators (NASFAA) standards across the seven UH Community Colleges (UHCC). UHCC's in developing a single policy and procedure to be used by all financial aid officers.

**Vendor:** Blue Icon Advisors LLC  
(If known)  
**Address:**  
1801 PENNSYLVANIA AVENUE NW, SUITE 850  
WASHINGTON, DC 20006-3606,

<b>Term of Contract:</b> (If known)	From: est March 2021	To: TBD	Cost: \$120,000 (est.)
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<b>Direct any inquiries to:</b> Department: Office of the Vice President for Community Colleges  Contact Name/Title: Catherine Bio, Director of Student Success  Address: 2327 Dole Street #1 Honolulu, Hawaii 96822	Phone Number: (808) 984-3614  Fax Number: (808) 984-3872
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Date Posted: 03/10/21

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: Office of the Vice President for Community Colleges  
(Department/Program)

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

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

This request is for a service contract to provide consultation and guidance in developing and aligning financial aid policies and procedures with National Associations of Student Financial Aid Administrators (NASFAA) standards across the seven UH Community Colleges (UHCC). For efficiency, consistency, and equity, Blue Icon will assist the UHCC's in developing a single policy and procedure to be used by all financial aid officers. The scope of work will include a review and analysis of the seven campuses' policies and procedures, facilitating discussions around compliance and best practices, and providing training on the newly adopted policies and procedures. Financial aid administration is often complex and heavily burdened by federal legislation. As a response to Repositioning UH for 2021 and Beyond, UHCC launched the Financial Aid Project. This request is essential to the success of the Financial Aid Project.

Estimated Cost: \$ 120,000.00

(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

An agreement outlining the scope of work and access to tools and resources will be executed. The Department will monitor the progress of services and deliverables received. Expenditures will be subject to review, approval, and processing in accordance with UH policy and procedures and conformance with the agreement.

(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  
Tammi Oyadomari-Chun, Interim Associate VP for Academic Affairs  
Lisa Tsuhako, Fiscal Administrator

Direct questions to: Cathy Bio/Lisa Tsuhako Phone: 808-984-3614 / 956-3861

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

Tammi Oyadomari-Chun  
Full Name of Principal Investigator, Department Head, or Administrator

Digitally signed by Tammi J Chun  
Date: 2021.03.08 15:19:11 -10'00'

3/8/21

Signature

Date

Lisa Tsuhako  
Full Name of Fiscal Administrator

**Lisa Tsuhako**

Digitally signed by Lisa Tsuhako  
Date: 2021.03.08 16:53:00 -10'00'

3/8/21

Signature

Date

APPROVED:

Erika Lacro  
Full Name of Vice President or Chancellor

Erika Lacro  
2021.03.08 16:19:51 -10'00'

3/8/21

Signature

Date

FOR OPM USE ONLY

OPM COMMENTS:

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APPROVED

\_\_\_\_\_ DENIED

Digitally signed by David Lassner  
Date: 2021.03.23 14:18:39 -10'00'

\_\_\_\_\_  
PRESIDENT, UNIVERSITY OF HAWAII

\_\_\_\_\_  
DATE

Attachment to Request for Exemption from Chapter 103D, HRS  
Financial Aid Policies and Procedures for UH Community Colleges

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

UHCC currently employs NASFAA tools and standards in its operations. Therefore, it is not practicable or advantageous to solicit bids for these services as Blue Icon, through its direct affiliation with NASFAA, is the only vendor qualified to provide access to the tools and resources necessary to properly interpret guidelines and establish best practices for the UHCC's.

Blue Icon is a wholly owned subsidiary of NASFAA, and the only consulting firm they endorse. They have access to all NASFAA tools, resources, and staff not readily available to other firms. One such tool is the NASFAA Policies and Procedure Builder, which includes all required sections for federal compliance, provides regular updates to ever-changing legislation, and makes updating the manual from year-to-year an easy and seamless process. Blue Icon has specific experience in working with multi-campus systems that have merged financial aid policies and procedures in alignment with NASFAA standards.

If this request were to be competitively solicited through a formal bid process, smaller firms who have secured access to the NASFAA resource requirements but are not as qualified or positioned to fulfill the level of service needed by the University may bid and jeopardize its success. A formal proposal process is not practical or advantageous given the time constraints of conducting this formal process. Additionally, given the market for these services there would be no distinguishable benefit to formal proposals as Blue Icon is uniquely positioned as the wholly owned subsidiary of NASFAA to secure the contract.

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

A small purchase request for quotes was conducted for these services and received only one response, from Blue Icon. However, their response would exceed the small purchase contract threshold of \$100,000.00. In determining the next method of procurement we were forced to look at the market that could provide services in alignment with NASFAA standards and found the providers in this market are independent companies who pay NASFAA for access to their resources to package and re-sell. For the reasons mentioned above it is not practical or advantageous to compete in this market. Other vendors such as Strata Information Group, Inc. were contacted about providing a similar services but none aligned with the NASFAA standards and resources currently employed throughout the UHCC's.