

UNIVERSITY OF HAWAII NOTICE OF EXEMPTION CHAPTER 103D, HRS

The President, University of Hawaii, is in the process of reviewing the request from
Information Technology Services, University of Hawaii (Department/Campus)

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

Subscription to Google Workspace for Education Plus (formerly known as Google Education Enterprise) to provide systemwide subscription access to necessary Google suite of services, including enterprise services supporting high value security services, full capacity virtual meeting function (Google Meet), and related capacity including institutional online storage capacity suitable for use by the institution for all users, student/faculty/staff/researcher.

Vendor: Amplified IT LLC
(If known)
Address:
812 Granby Street
Norfolk, Virginia 23510

Term of Contract: (If known)	From: To be determined	To: To be determined	Cost: \$500,000.00 for four (4) years (est.)
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Direct any inquiries to: Department: Information Technology Services, University of Hawaii Contact Name/Title: Garret T. Yoshimi, Vice President for Information Technology and Chief Information Officer Address: 2520 Correa Road Information Technology Center, 6th Floor Honolulu, Hawaii 96822	Phone Number: (808) 956-3501 Fax Number: (808) 956-7322
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Date Posted: July 19, 2021

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: Information Technology Services

(Department/Program)

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

Description of goods, services, or construction:

Subscription to Google Workspace for Education Plus (formerly known as Google Education Enterprise) to provide systemwide subscription access to necessary Google suite of services, including enterprise services supporting high value security services, full capability virtual meeting function (Google Meet), and related capacity including institutional online storage capacity suitable for use by the institution for all uses, student/faculty/staff/researcher.

Estimated Cost: \$ 500,000 (4+ year term)

(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
See Attached

(4) A list of Department personnel, by position title, who will be involved in the approval process and administration of the contract:
Google services will be administered by Mitch Ochi, Director CSOC (along with assigned staff)
Fiscal oversight by Craig Shinsato, ITS FA
Executive oversight by Garret Yoshimi, VP IT & CIO

Direct questions to: Garret Yoshimi Phone: 956-3501

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

Garret T. Yoshimi
Full Name of Principal Investigator, Department Head, or Administrator

Garret T. Yoshimi Digitally signed by Garret T. Yoshimi
Date: 2021.07.17 14:12:27 -10'00' 7/16/2021
Signature Date

Craig Shinsato
Full Name of Fiscal Administrator

Craig Shinsato Digitally signed by Craig Shinsato
Date: 2021.07.18 07:18:10 -10'00' 7/17/2021
Signature Date

APPROVED:

Garret T. Yoshimi
Full Name of Vice President or Chancellor

Garret T. Yoshimi Digitally signed by Garret T. Yoshimi
Date: 2021.07.17 14:13:03 -10'00' 7/16/2021
Signature Date

FOR OPM USE ONLY

OPM COMMENTS:

APPROVED DENIED

David Lassner Digitally signed by David Lassner
Date: 2021.08.07 18:59:08 -10'00'
PRESIDENT, UNIVERSITY OF HAWAII

August 7, 2021

DATE

Request for Exemption from Chapter 103D, HRS Subscription to Google Workspace for Education Plus

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

In 2019, ITS began its comprehensive review of subscription alternatives to maintain at least the status quo of services offered under the existing University of Hawaii (UH) Google agreement. At that time, Google began altering its plans for the support of data region capability (that allowed UH to specify all its information would be handled at US located data centers. At that point in time, the sole option available would have been Google Education Enterprise subscription. Beginning in February 2021, Google changed its position and policies regarding all manner of subscription services, in particular around a shift from unlimited free storage, to a quota and cost-based model, limiting the amount of storage and related services to be provided at its free use tier (the level at which UH has enjoyed substantial use over the past years). In particular, storage limits to be imposed on higher education, while generous at the free tier, would require greater than an order of magnitude reduction in storage use by the institution. In addition, the "standard" pricing for paid models would have generally put UH at a cost level exceeding \$500,000/year to match EXISTING use of the Google suite of services. Subsequent announcements of the replacement Google Workspace for Education line placed UH clearly in the "Plus" offering, at a rate in excess of \$200,000/year.

After months of intense negotiation between Google and a group of higher education representatives, that included Internet2 (its Net+ community) and about 50 Research-1 university CIOs, along with dozens of representatives from smaller institutions, the community arrived at a more reasonable solution for higher education institutions, resulting in the availability of all Google premium Google Workspace for Education Plus features, along with additional storage consideration by Google, significant relaxing of the implementation of storage quotas, and large discounts for higher education institutions willing to subscribe to the negotiated Net+ agreement terms. The Net+ agreement was executed in June 2021, and included all of the negotiated terms, to be offered to Internet2 members (UH is a member of Internet2), and would only be available via two named Google resellers (Google also no longer will agree to contract directly with institutional customers). The Net+ agreement terms are also favorable to UH and other public institutions, in that the normal, commercial offensive terms are replaced with reasonable terms.

UH could proceed with standard procurement approaches, but would not be afforded the benefit of the Net+ value, terms and conditions – only available via direct use of the Net+ terms via the designated Google resellers. Additionally, one of the two resellers has Hawaii experience (implemented Hawaii DOE migration to Google for Education). Use of any of the standard procurement

approaches would cause material delay, significant wasted effort, and unnecessary cost in the acquisition of the required Google subscription services. Of note, under the Net+ agreement, a commitment to a 4-year term will provide free, no cost services through the end of 2022 (starting whenever the contracts can be executed), followed by discounted annual fees through the end of 2025. Any delays inserted by such a wasteful use of our standard procurement practices will also cause impacts to the Fall 2021 semester as we would not receive the benefits of the premium Google Meet capabilities (nearly on par with the current commercial Zoom product), and would seriously impact faculty support for the upcoming Fall 2021 semester.

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

In this case, direct entry into the negotiated Net+ agreement terms (with the designated Google reseller, Amplified IT), will allow UH to benefit from the many months of aggressive negotiation and settlement arrived at to benefit all US higher education. Any competitive process at this point would be a waste of time, energy and resources, and as noted above, would directly impact the UH community. Other options available would be limited to an enterprise Microsoft agreement (that would cost us an order of magnitude more, and cause material impacts to our ability to deliver services to UH), and to take the Google suite of services back in-house (simply not possible, and cost prohibitive).

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

ITS has actively managed the systemwide suite of services for many years, and will continue to actively manage the vendor relationship with Google, with oversight by ITS directors and Information Security (CISO) lead. The nature of the service also merits regular updates to President Lassner.