1. **Purpose**

   To delineate the authority and responsibilities of University personnel involved in the acquisition of goods, services, and construction, the granting of concessions, and the negotiation of cooperative agreements.

2. **Objectives**

   Key objectives of the University's purchasing system and this Administrative Procedure are to:

   a. Effectively manage the University's purchasing and contracting activities;

   b. Insure compliance with applicable laws, rules and regulations, as well as Board of Regents' policies;

   c. Meet the University's requirements for goods, services and construction in a timely manner and at the most advantageous price and terms;

   d. Simplify and clarify the University's procurement system; and

   e. Insure proper documentation of all purchasing actions.

3. **Applicability**

   This administrative procedure applies to all University acquisitions of goods, services, and construction, concession contracts, and cooperative agreements.
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 $1,000,000;

b. Construction contracts, including those for repair and maintenance projects, exceeding $1,000,000;

c. Consultant contracts exceeding $300,000 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.

5. **Hawaii Public Procurement Code (Chapter 103D, HRS)**

Pursuant to Section 304A-105(b), HRS, as amended, the procurement of goods, services, and construction by the University is not subject to the requirements of Chapter 103D, HRS, and the Hawaii Administrative Rules adopted pursuant thereto (Chapter 3-120 to 3-132), except for Sections 103D-110, 103D-304 with respect to design professional services under Chapter 464, 103D-324, 103D-707 and 103D-1002.

6. **Electronic Processing**

The University has adopted the use of the electronic ePurchasing system to process purchase requests initiated by a requisition document and which will be charged to University-administered accounts. Accordingly, University personnel shall utilize the ePurchasing system for procurement of goods, services and construction subject to the foregoing conditions, unless otherwise directed in these administrative procedures.