

**UNIVERSITY OF HAWAII
NOTICE OF EXEMPTION FROM CHAPTER 103D, HRS**

The President, University of Hawai'i, is in the process of reviewing the request from (Department/Campus) Vice President for Community Colleges for exemption from Chapter 103D, HRS, for the following goods, services, or construction:

Consulting services for Act 188, financing recommendations.

Vendor: MGT of America, Inc.
(If known)
Address: 502 East 11th Street, Suite 300
Austin, TX 75701

Term of Contract: (If known) From: ----- To: ----- Cost: \$50,000 (est.)

Direct any inquiries to: Department: Vice President for Community Colleges Contact Name/Title: John Morton / Vice President for Community Colleges Address: 2444 Dole Street, Bachman 207 Honolulu, HI 96822	Phone Number: 956-7038 Fax Number: 956-5286
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Date Posted: October 9, 2008

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 and Real Property Management
1400 Lower Campus Road, Room 15
Honolulu, Hawaii'i 96822

REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS

TO: OFFICE OF PROCUREMENT AND REAL PROPERTY 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:

Consultant services to develop recommendations regarding financing of the University of Hawaii general fund budget.

Estimated Cost: \$ 50,000 (plus expenses)

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

The Act 188 Task Force is charged with preparing recommendations to the President, Board of Regents, and Legislature on possible changes in the financing of the University of Hawaii's general fund budget. Act 188 stipulates that UH should use a consultant to develop these financing recommendations. A report is due to the Legislature prior to the beginning of the 2009 session. Given the short timeline, selection of a consultant by standard competitive means, through a formally advertised request for proposals, is neither practical nor advantageous.

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

The Act 188 Task Force believes that the consultant must be someone with experience in advising University and State systems on funding formulas and mechanisms. Accordingly, the Task Force contacted the following organizations for names of individuals or companies who had provided consultancies on this topic: National Council of State Legislators; Education Commission of the States; and National Achieve the Dream Initiative.

Four companies were identified as the primary consultants used by various states. These companies were: MGT of America, Inc.; Brenda Albright; Education Commission of the States in association with APA, Inc.; and Pappas Consulting Group. A solicitation outlining the consultancy task and the requirements of Act 188 was sent to each group along with a request for information on cost, timeline, and experience from each. All four companies submitted proposals in response to the request for information.

(Attach Additional Sheets if Necessary)

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

The proposals were reviewed by the Act 188 Task Force and the Task Force unanimously selected MGT of America, Inc. as the preferred consultant. MGT had the most experience, having worked in 39 states, provided the lowest cost, and offered the fastest timeline to complete the project.

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

Act 188 Task Force committee members (Senator Norman Sakamoto, Vice President Morton, and Chancellors Awakuni, Hinshaw and Tseng).

Direct questions to: John Morton Phone: 956-7038

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

John Morton
Full Name of Principal Investigator, Department Head, or Administrator

[Signature] 10/9/08
Signature Date

Blanche Fountain
Full Name of Fiscal Officer

[Signature] 10/8/08
Signature Date

FOR OPRPM USE ONLY

OPRPM COMMENTS:

Recommend Approval.

APPROVED DENIED

[Signature]
PRESIDENT, UNIVERSITY OF HAWAII

10/27/08
DATE