

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

The President, University of Hawaii, is in the process of reviewing the request from
Financial Management Office _____ (Department/Campus) for exemption
from Chapter 103D, HRS, for the following goods, services, or construction:
Financial Advisory Services Relating to the Issuance of University of Hawaii Revenue Bonds.

Vendor: To be determined
(If known)
Address:

Term of Contract: (If known)	From: To be determined	To: To be determined	Cost: \$10,000.00-\$25,000.00 (est.)
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Direct any inquiries to: Department: Financial Management Office Contact Name/Title: Susan Lin, Director of Financial Management & Controller Address: 1406 Lower Campus Road, Room #41 Honolulu, Hawaii 96822	Phone Number: (808) 956-5445 Fax Number: (808) 956-9497
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Date Posted: September 11, 2017

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, Hawai'i 96822

REQUEST FOR EXEMPTION FROM CHAPTER 103D, HRS

TO: OFFICE OF PROCUREMENT AND REAL PROPERTY MANAGEMENT

FROM: Financial Management Office

(Department/Program)

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

Description of goods, services, or construction:
See attached

Estimated Cost: \$ 10,000 - \$25,000

(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:

See attached

Direct questions to: Susan Lin Phone: 808-956-5445

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

Susan Lin
Full Name of Principal Investigator, Department Head, or Administrator

 9/7/17
Signature Date

Neal Kumasaka
Full Name of Fiscal Officer

 9/7/17
Signature Date

APPROVED:

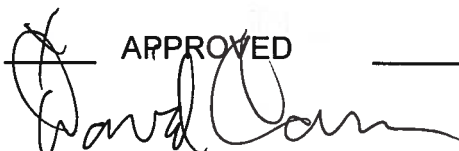
Kalbert Young
Full Name of Vice President or Chancellor

 Sept. 12 2017
Signature Date

FOR OPRPM USE ONLY

OPRPM COMMENTS:

APPROVED DENIED

 9/22/17
PRESIDENT, UNIVERSITY OF HAWAII DATE

**Request for Exemption from 103D, HRS
Attachment to OPRPM Form 138
(Financial Advisory Services Relating to Issuance of
University of Hawaii Revenue Bonds)**

Description of goods, services, or construction:

Financial advisory services are being sought relating to the planned issuance of University of Hawaii revenue bonds. The services being sought require specialized expertise involving technical analysis and advice with regard to financial and capital plans, debt structuring, capital markets and bond pricing.

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

Procurement by standard competitive means is not practicable and not advantageous to the university because of the specialized and highly subjective nature of services to be provided and the need to proceed expeditiously. The University is striving to proceed with projects to be funded by the revenue bonds within timelines required by legislative authorizations and to issue the bonds while advantageous market conditions exist.

In addition, the contractor's effectiveness will be critical to the success of the bond offering and will depend in significant part on technical expertise, experience and familiarity with the State of Hawaii's and the University's debt structure and debt management and bond environments. Few potential contractors possess the necessary combination of expertise and experience required, and standard competitive means are not well suited to identifying them.

Accordingly, conducting a standard competitive selection through preparation and advertising of a formal request for proposals would entail a prolonged timeline that would not significantly contribute to the effectiveness of a contractor selection. Furthermore, the length of the standard process would delay the overall process, putting the University at undue and unnecessary risk by jeopardizing interest rate flexibility, nimble market timing and executing an expeditious transaction.

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

Because of the nature of the services to be provided, consultation with knowledgeable individuals in the industry and other State of Hawaii departments who have had experience with such services is the most effective way of identifying potential contractors with suitable experience and expertise. Following consultation with the Vice President for Budget and Finance/CFO, a review committee comprised of three individuals with appropriate education, experience and background, will contact at least three to five potential contractors and request submittal of proposals to provide the financial advisory services relating to the issuance of University of Hawaii revenue bonds. See attached Invitation to Submit Proposals for further information. The proposals received will be reviewed by the review committee taking into consideration the following factors: prior experience in providing financial advisory services relating to revenue bond offerings by higher education institutions, state agencies, and State of Hawaii agencies in particular; familiarity with the University's and the State's debt structure and bond environment; technical expertise and experience of the firm and the

individuals to be assigned to this contract; client references; and the proposed cost of the services to be provided.

The review committee will review and evaluate each proposal, and present its comparative evaluation of the proposals to the Vice President for Budget and Finance/CFO, who will select the proposal which can best meet the University's needs and objectives with respect to the services to be performed.

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

The Office of Procurement and Real Property Management will assist in reviewing and/or drafting a contract with the firm whose proposal is determined by the Vice President for Budget and Finance/CFO to best match the needs of and to be most advantageous to the University. All services performed will be pre-approved and expenditures will be subject to review, approval and processing in conformity with University expenditure 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

Susan Lin, Director of Financial Management and Controller
Duff Zwald, Director of Procurement
Kalbert Young, Vice President for Budget and Finance/CFO
James Yoneda, University Bond System Controller
Wendall Ho, Bursar
Neal Kumasaka, Fiscal Administrator