

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

The President, University of Hawaii, is in the process of reviewing the request from University of Hawaii at Manoa's Campus Services University Housing Assistance Program (Department/Campus) for exemption from Chapter 103D, HRS, for the following goods, services, or construction:  
Services of qualified financial institutions to provide mortgage loans as part of the University's Mortgage Assistance Guarantee Program.

**Vendor:** To be determined  
(If known)  
**Address:**

<b>Term of Contract:</b> (If known)	From: To be determined	To: To be determined	<b>Cost:</b> \$1,000,000.00 (est.)
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<b>Direct any inquiries to:</b> Department: University Housing  Contact Name/Title: Andy Lachman, Manager of University Housing, Food, & Mail Services  Address: Auxiliary Services Building 1951 East West Road Honolulu, Hawaii 96822	<b>Phone Number:</b> (808) 956-8449  <b>Fax Number:</b> (808) 956-2548
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Date Posted: July 5, 2018

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: Campus Services' University Housing Assistance Program  
(Department/Program)

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

Description of goods, services, or construction:

The University of Hawai'i (University) is seeking the services of qualified financial institutions to provide mortgage loans as part of the University's Mortgage Assistance Guarantee Program. This program will serve to advance the University's competitive strategy to support the recruitment and retention of faculty, researchers, and other personnel by providing housing assistance.

Estimated Cost: \$ Est. 1,000,000

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

Please 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;

Please see attached

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

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

Direct questions to: Andy Lachman Phone: 956-8449

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

Andy Lachman  
Full Name of Principal Investigator, Department Head, or Administrator

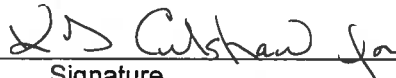
 5/23/18  
Signature Date

Thad Nakajima  
Full Name of Fiscal Officer

 5/23/18  
Signature Date

APPROVED:

David Lassner  
Full Name of Vice President or Chancellor

 6/15/18  
Signature Date

FOR OPRPM USE ONLY

OPRPM COMMENTS:

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\_\_\_\_\_  
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\_\_\_\_ APPROVED      \_\_\_\_\_ DENIED

PRESIDENT, UNIVERSITY OF HAWAII

DATE

**Request for Exemption from Chapter 103D, HRS**  
**(Attachment for OPRPM Form 138)**

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

The University of Hawai'i (University) is seeking the services of qualified financial institutions to provide mortgage loans as part of the University's Mortgage Assistance Guarantee Program. This program will serve to advance the University's competitive strategy to support the recruitment and retention of faculty, researchers, and other personnel by providing housing assistance.

Through the Program, the University seeks to develop partnerships with qualified financial institutions to provide financial assistance to selected personnel who lack sufficient financial resources to purchase a residence in the State of Hawai'i. The University will deposit funds with the qualified financial institutions in a ratio sufficient to guarantee the mortgage loans offered through this loan program. The Program should reduce the amount needed by the participants for an initial down payment and other homeownership costs.

The University seeks mortgage loan partners that can offer minimum funded ratio requirements for the University in relation to the percentage of funds held by the financial institution to loans issued. The University desires minimum funded ratios in order to more fully maximize the funds the University will deposit with a selected mortgage loan partner thereby extending the capacity of the Program to a greater number of participants. In addition, the University desires to find the best terms and conditions for the participants in the program, therefore making it easier for the participants to purchase a residence.

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

Given the unique nature of the partnerships which the University is seeking, procurement by a standard competitive process is neither practical nor advantageous. In such partnerships, the University will not be required to make payment of fees to the financial institutions for the services provided to participants in the Program so that a comparative evaluation of proposed fees which is typical in most competitive procurements will be a non-issue. The University's financial liability in the Program will be the same for all prospective partner institutions since it will be in the form of a loan guarantee in the event that a participant defaults on a Program loan. Therefore, procurement by a standard competitive process would not contribute significantly to the University's ability to select financial partners for the Program.

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

As a reasonable alternative, it is proposed that informal invitations to submit proposals be submitted to financial institutions interested in participating in the Program. This informal process should provide the University with multiple proposals from which to select potential partners for the Program. A committee will be formed, consisting of at least three University employees with financial, real estate, property management, and/or related experience, and will review the proposals received from financial institutions and make a recommendation of those institutions to be asked to participate as partners in the Program. The final selection of partners for the Program shall be made by the Vice President for Budget and Finance/Chief Financial Officer.

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

The Office of the University General Counsel and the Office of Procurement and Real Property Management will assist in the preparation of an appropriate agreement with the financial institutions selected to be partners in the Mortgage Assistance Guarantee Program.

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

- A. Deborah Huebler, Director of Campus Services, University of Hawai'i at Mānoa
- B. Thad Nakajima, Manager of Administrative Services, Campus Services, University of Hawai'i at Mānoa
- C. Andy Lachman, Manager of University Housing, Food & Mail Services, University of Hawai'i at Mānoa