

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

The President, University of Hawaii, is in the process of reviewing the request from
Office of Human Resources, University of Hawaii _____ (Department/Campus) for exemption
from Chapter 103D, HRS, for the following goods, services, or construction:
Provide functional support for the PeopleSoft 9.2 upgrade/implementation project.

Vendor: Business Solution Technologies, Inc.
(If known)
Address: 1188 Bishop Street, Suite 1801
Honolulu, Hawaii 96813

Term of Contract: (If known)	From: To be determined	To: To be determined	Cost: \$536,000.00 (est.)
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Direct any inquiries to: Department: Office of the Vice President for Administration Contact Name/Title: Katherine Wong-Nakamura, Director, System Integration Address: 2440 Campus Road Administrative Services Building 2 Honolulu, Hawaii 96822	Phone Number: (808) 956-8989 Fax Number: (808) 956-3175
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Date Posted: April 28, 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: Office of Human Resources

(Department/Program)

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

Description of goods, services, or construction:

To provide functional support for the PeopleSoft 9.2 upgrade/implementation project.

Estimated Cost: \$ 536,000.00 (estimated)

(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.

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(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: Katherine Wong-Nakamura Phone: (808) 956-8989

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

Katherine Wong-Nakamura, Director, System Integration
Full Name of Principal Investigator, Department Head, or Administrator

Kathy Wong-Nakamura 4/28/17
Signature Date

Blanche Fountain, Director, System Administrative Services
Full Name of Fiscal Officer

[Signature] 4/28/17
Signature Date

APPROVED:

Jan Gouveia, Vice President for Administration
Full Name of Vice President or Chancellor

[Signature] 4/28/17
Signature Date

FOR OPRPM USE ONLY

OPRPM COMMENTS:

APPROVED DENIED

[Signature]

PRESIDENT, UNIVERSITY OF HAWAII

5/11/17

DATE

**Request for Exemption from 103D, HRS
PeopleSoft 9.2 Upgrade/Implementation Project**

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

The State of Hawaii Department of Human Resources (DHRD) has upgraded and implemented their Peoplesoft HCM 9.2 system. Agencies on the same PeopleSoft 9.2 version would be able to integrate more efficiently as the fields and data would be more closely aligned based on consistent business rules. The goal of the University is also to upgrade to PeopleSoft HCM 9.2 using a very similar implementation methodology as the State. Plans are to complete the initial design stage of this initiative by July 2017 with implementation of the entire project targeted for October 2018.

This request for exemption from 103D, HRS is for consultant services to provide functional, process reengineering, and change management services for the planned upgrade of the University's PeopleSoft system from PeopleSoft HCM 9.1 to PeopleSoft HCM 9.2 and align with DHRD's implementation approach and data requirements for future integration objectives.

Services to be performed include but are not limited to:

- 1) Project management including initial project planning and project management to include development of a detailed project plan, timeline, resource allocation and budget after completion.
- 2) Business process design including mapping of current processes, mapping of the new processes, and providing a path for migration between the two. Processes will also be reassessed before going live.
- 3) Change management to include a Prosci-certified change management specialist to work with University staff and provide hands-on guidance for system adoption by the system users.
- 4) Functional HRIS assistance including a fit-gap analysis and requirements gathering, functional system specifications, acting as a liaison between HR and technical staff, test script guidance, testing support, functional documentation, training planning and go-live support.

It is not practicable nor advantageous to the University to procure, by competitive means, services for a consultant to design, modify and configure the PeopleSoft HCM 9.2 environment for the following reasons:

- 1) The University has identified a proposed consultant who assisted the State of Hawaii Department of Human Resources (DHRD) with their initiative to upgrade from PeopleSoft HCM 8.3 to the required PeopleSoft HCM 9.2 with an approach that closely mirrors that of the University. This upgrade required them to develop a deep understanding of bargaining unit rules and State of Hawaii Civil Service laws very similar to the University's requirements in order to incorporate required business rules to ensure data integrity. Additionally, all the interfaces and

associated data requirements that were developed for DHRD's integration with a number of other state agencies such as EUTF, ERS, etc. are also required by the University.

- 2) The proposed consultant is currently assisting the Research Corporation of the University of Hawaii (RCUH) with their upgrade from PeopleSoft HCM 9.1 to HCM 9.2. RCUH currently utilizes PeopleSoft HCM and Payroll module using the same multi-project and managerial structures required by the University since RCUH hires employees on behalf of the University. They have developed integration solutions with RCUH's Kualii Financial System (KFS), which is the same financial system that the University integrates with. Examples of data feeds to KFS include active/terminated employees for the KFS leave accrual calculations, payroll related information, name and addresses of employees, etc. It is important that the University's upgrade to PeopleSoft HCM 9.2 maintain this same functionality.
- 3) There are various reports required by other agencies such as the Legislature, State agencies, national surveys, publications, vacancy reports, collective bargaining, etc. that will require migration from our existing 3rd party adhoc reporting tool to the delivered PeopleSoft HCM 9.2 reporting tool. The proposed consultant has working knowledge of both reporting tool sets because of their engagement with the University's 9.1 upgrade.

For these reasons, it would be difficult to procure these services by competitive means to complete the initial design phase of the initiative by July 2017. A new consultant would not be able to readily facilitate the planning process and become familiar with the University's current PeopleSoft system configuration, 3rd party tool set, and business processes to address the design, modifications and reconfigurations for the University's PeopleSoft system. Additionally, the proposed consultant has a unique understanding of both DHRD's and RCUH's PeopleSoft HCM 9.2 environments and integration requirements with other state agencies, which we can readily leverage. No other consultant would have comparable knowledge or expertise.

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

For the reasons stated in section 1 above, it would be most practicable, effective and efficient to utilize the services of the proposed consultant to facilitate the data mapping, functional design, business rules and reconfiguration of the University's PeopleSoft HCM 9.2 system. The University will ensure that it prepares a cost analysis to establish that the amount that it will pay for the services are fair and reasonable.

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

The University's Director of System Integration and the Associate Vice President for Administration will oversee the entire project and will monitor the work performed by the proposed consultant. All work performed will be under the direct control and supervision of these individuals.

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

Katherine Wong-Nakamura, Director of System Integration, Vice President for Administration

Donna Kiyosaki, Associate Vice President for Administration

Jan Gouveia, Vice President for Administration

Office of Procurement and Real Property Management