

UNIVERSITY OF HAWAII
NOTICE OF EXEMPTION FROM STANDARD METHODS OF SOURCE SELECTION

The Vice President for Budget and Finance/Chief Financial Officer, University of Hawaii, is in the process of reviewing the request from
Financial Management Office, University of Hawaii System (Department/Campus) for exemption from Standard Methods of Source Selection for the following goods, services, or construction:

Implementing and supporting a purchasing card program for the University of Hawaii System.

Vendor: First Hawaiian Bank
(If known)
Address: 999 Bishop Street, Honolulu, HI 96813

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|--|-------------|-----------|-----------|
| Term of Contract: (If known) | From: ----- | To: ----- | Cost: N/A |
|--|-------------|-----------|-----------|

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| Direct any inquiries to: Department: Financial Management Office Contact Name/Title: Paul Kobayashi / Director Address: 1406 Lower Campus Road, Room 26, Honolulu, HI 96822 | Phone Number: 808-956-7161 Fax Number: 808-956-9497 |
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Date Posted: December 14, 2010

Submit written objections to this notice to issue an exemption from Standard Methods of Source Selection, 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 96822

REQUEST FOR EXEMPTION FROM STANDARD METHODS OF SOURCE SELECTION

TO: OFFICE OF PROCUREMENT AND REAL PROPERTY MANAGEMENT

FROM: Financial Management Office, UH System

(Department/Program)

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

Description of goods, services, or construction:

Implementing and supporting a purchasing card program for the University of Hawaii System.

Estimated Cost: \$ N/A

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

The University had been a participating agency in an RFP issued by the State Procurement Office seeking proposals for Furnishing, Implementing, and Supporting a Purchasing Card Program for the State of Hawaii (RFP-09-039-SW). A University representative served on the State's evaluation committee which reviewed all proposals. Based on the evaluation of all proposals submitted, it was determined that First Hawaiian Bank (FHB) had submitted the most advantageous proposal to the State (including the University) and was awarded the contract for a new P-Card program. Because of the passage of Act 82, SLH 2010, effective July 1, 2010, the State Procurement Office determined that the University would not be allowed to participate in the new contract awarded to FHB. Due to the University's participation in this recently completed RFP process with the State for a P-Card provider, it would not be practicable or advantageous for the University to now invest additional time and resources to issue a second RFP to solicit proposals to provide identical P-Card services (from essentially the same participants) as those covered under the recently completed State RFP.

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

It would be more practicable and advantageous for the University to negotiate with FHB, the selected offeror under the State RFP, for a contract to provide P-Card services specifically to the University under similar terms and conditions of the State RFP and the resulting contract with the State.

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

The negotiated contract will be prepared in consultation with the Office of Procurement and Real Property Management and will be submitted to the Office of the University General Counsel for approval as to form.

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

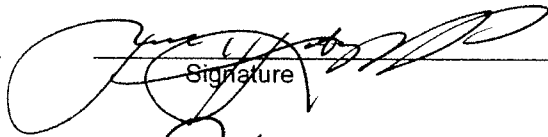
Paul Y. Kobayashi, Director of Financial Management & Comptroller.
Duff Zwald, Director of Procurement and Real Property Management.

Direct questions to: Paul Kobayashi Phone: 956-7161

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

Paul Kobayashi

Full Name of Principal Investigator, Department Head, or Administrator


Signature

11/24/10

Date

Neal Kumasaka

Full Name of Fiscal Officer


Signature

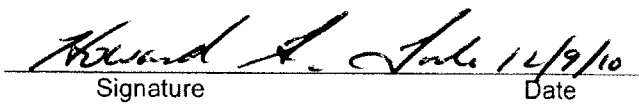
11/30/10

Date

APPROVED:

Howard S. Todo

Full Name of Vice President or Chancellor


Signature

12/9/10

Date

FOR OPRPM USE ONLY

OPRPM COMMENTS:

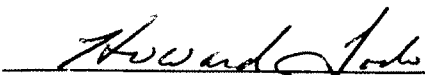
Recommend Approval.



APPROVED



DENIED



VICE PRESIDENT FOR BUDGET & FINANCE/CHIEF FINANCIAL OFFICER, UNIVERSITY OF HAWAII

1/6/11

DATE