
A BILL FOR AN ACT

RELATING TO STATE PROCUREMENT CONTRACTS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that the State is in need
2 of a centralized mechanism for monitoring and auditing state
3 procurement contracts prior to the completion of the contract.
4 The taxpayers of the State have a vested interest in verifying
5 that state resources and tax moneys are used wisely and
6 appropriately and in ensuring that state contracts are fully
7 satisfied on time and with optimal results.

8 The purpose of this Act is to increase the accountability
9 of state government and those that contract with the State by
10 requiring the compliance audit unit to monitor and audit state
11 contracts on an ongoing basis to ensure compliance, quality, and
12 timeliness.

13 SECTION 2. Section 103D-108, Hawaii Revised Statutes, is
14 amended to read as follows:

15 "**§103D-108 Compliance audit unit; duties and**
16 **responsibilities.** The compliance audit unit shall:

17 (1) Review and assess applicable innovations in
18 procurement methods or processes in other governmental



- 1 jurisdictions or as described in national or regional
2 publications;
- 3 (2) Review current or proposed statutes and rules to
4 determine whether they promote fairness, efficiency,
5 and accountability in the procurement process;
- 6 (3) Review selected contracts awarded pursuant to section
7 103D-304;
- 8 (4) Conduct studies, research, and analyses, and make
9 reports and recommendations with respect to existing
10 and new methods of procurement and other matters
11 within the jurisdiction of the policy board;
- 12 (5) Establish and maintain a procurement library;
- 13 (6) Monitor and conduct audits on an ongoing basis of
14 existing and new contracts to ensure compliance with
15 contract performance goals, quality of contract
16 products and services, and timeliness of contract
17 deliverables;
- 18 [~~6~~] (7) Report to the appropriate agency and the chief
19 procurement officer, stating the areas of
20 noncompliance and recommendations for remedial action;
21 and



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1 [~~(7)~~] (8) Be present at legislative hearings and policy
 2 board meetings to present the findings of the unit."

3 SECTION 3. Statutory material to be repealed is bracketed
 4 and stricken. New statutory material is underscored.

5 SECTION 4. This Act shall take effect upon its approval.

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Report Title:

State Contracts; Ongoing Audits

Description:

Requires the compliance audit unit of the procurement office to conduct ongoing audits and monitoring of state contracts.

