

House District 24

Senate District 10

THE TWENTY-FOURTH LEGISLATURE
HAWAII STATE LEGISLATURE
APPLICATION FOR GRANTS & SUBSIDIES
CHAPTER 42F, HAWAII REVISED STATUTES

Log No: 94-0

For Legislature's Use Only

Type of Grant or Subsidy Request:

GRANT REQUEST - OPERATING

GRANT REQUEST - CAPITAL

SUBSIDY REQUEST

"Grant" means an award of state funds by the legislature, by an appropriation to a specified recipient, to support the activities of the recipient and permit the community to benefit from those activities.

"Subsidy" means an award of state funds by the legislature, by an appropriation to a recipient specified in the appropriation, to reduce the costs incurred by the organization or individual in providing a service available to some or all members of the public.

"Recipient" means any organization or person receiving a grant or subsidy.

STATE DEPARTMENT OR AGENCY RELATED TO THIS REQUEST (LEAVE BLANK IF UNKNOWN):

DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES

STATE PROGRAM I.D. NO. (LEAVE BLANK IF UNKNOWN): _____

1. APPLICANT INFORMATION:

Legal Name of Requesting Organization or Individual:

Hawaii Procurement Institute

Db: same

Street Address:

c/o Alston, Hunt, Floyd & Ing
ASB Tower, 18th Floor, 1001 Bishop St.
Honolulu, HI 96813

Mailing Address: same

2. CONTACT PERSON FOR MATTERS INVOLVING THIS APPLICATION:

Name JESSICA M. HORIUCHI

Title Executive Director

Phone # 722-5527

Fax # _____

e-mail hpinstitute@gmail.com

3. TYPE OF BUSINESS ENTITY:

- NON PROFIT CORPORATION
 FOR PROFIT CORPORATION
 LIMITED LIABILITY COMPANY
 SOLE PROPRIETORSHIP/INDIVIDUAL

4. FEDERAL TAX ID # _____

5. STATE TAX ID #: _____

6. SSN (IF AN INDIVIDUAL): _____

7. DESCRIPTIVE TITLE OF APPLICANT'S REQUEST:

HAWAII PROCUREMENT INSTITUTE PROCUREMENT
TECHNICAL ASSISTANCE CENTER

(Maximum 300 Characters)

8. FISCAL YEARS AND AMOUNT OF STATE FUNDS REQUESTED:

FY 2008-2009 \$ 150,000

9. STATUS OF SERVICE DESCRIBED IN THIS REQUEST:

- NEW SERVICE (PRESENTLY DOES NOT EXIST)
 EXISTING SERVICE (PRESENTLY IN OPERATION)

SPECIFY THE AMOUNT BY SOURCES OF FUNDS AVAILABLE
AT THE TIME OF THIS REQUEST:

STATE \$ _____

FEDERAL \$ _____

COUNTY \$ _____

PRIVATE/OTHER \$ 20,000

TYPE NAME & TITLE OF AUTHORIZED REPRESENTATIVE:

AUTHORIZED SIGNATURE

JESSICA M. HORIUCHI, Ex DIR
NAME & TITLE

1/31/08
DATE SIGNED

Application for Grants and Subsidies

If any item is not applicable to the request, the applicant should enter "not applicable".

I. Background and Summary

This section shall clearly and concisely summarize and highlight the contents of the request in such a way as to provide the State Legislature with a broad understanding of the request. Include the following:

1. A BRIEF description of the applicant's background;

The Hawai'i Procurement Institute (HPI) is a neutral think-tank and educational institute devoted to delivering quality study and instruction in all aspects of international, Federal, State and County procurement laws. Since its inception, HPI, through the efforts of an entirely volunteer board and staff, have produced award-winning statewide conferences covering such timely topics as wage compliance, gifts and gratuities, and ethical standards.

Additionally, HPI has authored multiple publications, including 2004 white paper entitled "Policy Considerations Related to Exemptions from the Hawai'i Procurement Code. More recently, at the request of both the Administration and the Legislature, HPI drafted administrative rules implementing HRS §103D-906, creating the framework for Hawai'i's Small Business Preference Program.

2. The goals and objectives related to the request;

The specific request accompanying this application is for funding to create a Procurement Technical Assistance Center (PTAC) in Hawaii. Currently, Hawai'i is only one of two states without a PTAC. Across the country, PTACs are educational entities, funded jointly by federal grants, state funds, and private donations, that provide specialized and professional assistance to individuals and businesses seeking to learn about contracting and subcontracting opportunities with the Department of Defense, other Federal agencies, and State and County governments. Our goal is to bring this business assistance to Hawai'i.

Through the creation of a PTAC, our goal is to provide professional procurement technical assistance to businesses seeking to obtain contracting opportunities with Federal, State and County agencies. Moreover, PTAC services will include outreach, educational and policy assistance to all aspects of Hawai'i's government contracting community. By combining professional assistance and education, HPI and a PTAC will

encourage the growth and development of local business by providing currently unavailable procurement technical assistance, while remaining a neutral not-for-profit entity

3. State the public purpose and need to be served;

Hawai'i is one of only two states in the country without a PTAC to provide the community with valuable procurement guidance. This is a shame since Federal and State spending comprises a majority of our state's economy. The lack of a PTAC entity in this state has created multiple knowledge deficits, to the detriment of our community and our economic well-being.

If more local businesses, especially small businesses, were able to join the ranks of Federal and State government contractors, that would lead to increased and more stable local employment opportunities. As it stands right now, many Federal contracts are awarded to large national companies, because local businesses simply don't have the specialized technical knowledge to participate in the procurement process.

PTACs are entities funded, in part, by grants from the Federal Defense Logistics Agency (DLA). DLA provides statewide PTACs up to \$600,000 in annual funding. However, one of the requirements for a DLA PTAC award is state matching funds. Without a showing of State funding commitment for a PTAC, i.e. through a grant in aid, DLA will not make a PTAC award.

4. Describe the target population to be served; and

The target population for both HPI and a PTAC are Hawai'i companies trying to participate in the Federal, State and County procurement system. It has come to our attention that many people, including many local business owners, want to be government contractors, but they just can't seem to figure out the procurement laws. Through HPI's efforts to secure a PTAC in Hawaii, we hope to assist local businesses in understanding existing procurement laws and succeeding as government contractors.

In addition to local businesses trying to break into government contracting, both HPI and a PTAC will directly impact working members of the procurement community in both the public and private sectors. By offering high quality, low-cost training seminars and conferences, HPI's educational outreach will provide opportunities for individuals in all aspects of the procurement process to achieve greater efficiency.

5. Describe the geographic coverage.

HPI's geographic reach is already statewide, as evidenced by attendees at past conferences. The geographic reach for a PTAC will be the same, as HPI plans to conduct semi-annual conferences open to all members of Hawai'i's procurement community.

PTAC seminars, as with HPI's past conferences, will be held at the University of Hawai'i at Mānoa to maximize attendance.

A PTAC will also offer office hours by appointment, whereby members of the community with technical procurement questions will be able to obtain technical procurement advice from both HPI members and PTAC staff.

II. Service Summary and Outcomes

The Service Summary shall include a detailed discussion of the applicant's approach to the request. The applicant shall clearly and concisely specify the results, outcomes, and measures of effectiveness from this request.

1. Describe the scope of work, tasks and responsibilities;

Through a PTAC, provide specific procurement technical advice to businesses to obtain certifications and knowledge to compete for government contracts and counseling sessions to assess businesses who are interested in pursuing procurement opportunities

Continue presenting the HPI annual conference to bring together all interested members of Hawai'i's procurement community to discuss hot-topics in an open, academic forum.

Conduct quarterly training seminars focused on technical knowledge requirements for businesses interested in pursuing and performing government contracts and/or training for procurement officials regarding new developments in procurement law.

2. The applicant shall provide a projected annual timeline for accomplishing the results or outcomes of the service;

HPI plans on conducting quarterly sessions to provide education and outreach. HPI conducts an annual academic conference in the early fall. In order to address more specific technical topics, HPI plans to conduct seminars in the winter, spring and summer.

In order to provide counseling services, HPI intends to do outreach to raise awareness and then gradually take appointments from interested local businesses.

3. The applicant shall describe its quality assurance and evaluation plans for the request. Specify how the applicant plans to monitor, evaluate, and improve their results; and

PTACs are required to follow strict documentation and reporting requirements as set forth by the Federal Acquisition Regulations (FAR). These records include surveys from clients, number of outreach events, total number of attendees, and number and value of contracts, either prime or sub awarded to clients following PTAC assistance. These

records will serve as both the quality assurance and monitoring mechanism for HPI's services.

4. The applicant shall list the measure(s) of effectiveness that will be reported to the State agency through which grant funds are appropriated (the expending agency). The measure(s) will provide a standard and objective way for the State to assess the program's achievement or accomplishment. Please note that if the level of appropriation differs from the amount included in this application that the measure(s) of effectiveness will need to be updated and transmitted to the expending agency.

The primary measure of effectiveness with respect to this request will be securing the federal PTAC grant and establishing a PTAC here in Hawai'i.

Thereafter, upon implementation of the federal PTAC grant, as described in Part II.3 above, PTACs are required to compile detailed reports as required by the FAR, which document accomplishments and successes. To the extent permissible, HPI would be happy to provide these reports to the expending agency.

III. Financial

Budget

1. The applicant shall submit a budget utilizing the enclosed budget forms as applicable, to detail the cost of the request.
2. The applicant shall provide its anticipated quarterly funding requirements for the fiscal year 2008-2009.

Quarter 1	Quarter 2	Quarter 3	Quarter 4	Total Grant
\$45,000	\$35,000	\$35,000	\$35,000	\$150,000

IV. Experience and Capability

A. Necessary Skills and Experience

The applicant shall demonstrate that it has the necessary skills, abilities, knowledge of, and experience relating to the request. State your experience and appropriateness for providing the service proposed in this application. The applicant shall also provide a listing of verifiable experience of related projects or contracts for the most recent three years that are pertinent to the request.

HPI has authored numerous articles and publications. Of note:

- HPI drafted administrative rules implementing HRS section 103D-906, creating the framework for Hawai'i's Small Business Preference Program; and
- 2004 white paper entitled "Policy Considerations Related to Exemptions from the Hawai'i Procurement Code

Past HPI presentations include:

- 2007 Procurement Conference covering public-private partnerships, presentations about the federal and state protest process, and best practices for various contracting methods;
- 2006 Procurement Conference covering Procurement Ethics & Corporate Responsibility, Debarment & Suspension, and Selection of Professional Services Contracts; and
- 2004 Government Contracts Conference: Federal and State Davis-Bacon Wage and Hour Determinations Conference, (with United States Department of Labor).

B. Facilities

The applicant shall provide a description of its facilities and demonstrate its adequacy in relation to the request. If facilities are not presently available, describe plans to secure facilities. Also describe how the facilities meet ADA requirements, as applicable.

None presently secured. In anticipation of funding, HPI has discussed potential options with both the University of Hawai'i William S. Richardson School of Law and also private entities interested in supporting HPI's PTAC efforts. Thus far, HPI has utilized the Imin Conference Center at the East-West Center, which meets ADA requirements.

V. Personnel: Project Organization and Staffing

A. Proposed Staffing, Staff Qualifications, Supervision and Training

The applicant shall describe the proposed staffing pattern and proposed service capacity appropriate for the viability of the request. The applicant shall provide the qualifications and experience of personnel for the request and shall describe its ability to supervise, train and provide administrative direction relative to the request.

HPI will be run by existing staff, law students, volunteers and contracted consultants.

Jessica M. Horiuchi, Esq. – Executive Director

Ms. Horiuchi has been practicing law in the state of Hawai'i for over eight years, with a specialization in procurement law. She has also consulted with a range of clients regarding government relations matters. As one of the original members of the Hawai'i Procurement Institute's Board, Ms. Horiuchi has been a core volunteer, whose responsibilities have included planning HPI's past three conferences, researching and providing writing assistance for HPI's publications, including the new State Small Business Program Rules and the white paper studying exemptions to the Hawai'i Procurement Code.

Ms. Horiuchi has worked closely with Professor Conway-Jones at the University of Hawai'i Richardson School of Law over the past five years and served as an interface between the law school and the local business community. As executive director, Ms. Horiuchi will continue as the liaison between the Law School, procurement officials, and the business community. Her duties will include outreach, education planning, gathering and producing evaluation reports, and coordination of programs and finances.

Paul Kinney - Intake Coordinator

Mr. Kinney is a nationally Certified Procurement Contracts Manager who has more than 20 years of procurement experience, both as a Federal government procurement officer and a private contract specialist.

As Intake Coordinator, Mr. Kinney's vast wealth of procurement knowledge will be utilized as he trains and supervises law students who perform initial intake counseling. Moreover, Mr. Kinney's skills will be used to directly assist businesses who need one-one-one shepherding through specialized government contract certification requirements.

Terry E. Thomason, Esq. - Educational Consultant

Mr. Thomason has practiced procurement law for over twenty-five years. Prior to entering private law practice, Mr. Thomason's post was the JAG for the U.S. Army Pacific overseeing billions of dollars in Federal procurement. Mr. Thomason was one of the original board members of the Hawai'i Procurement Institute. More recently, as the Chair of HPI's Education Committee, Mr. Thomason was responsible for materials and presentations at HPI Conferences on topics, including wage payment requirements under HRS Chapter 104, statutes and regulations defining the process for award of professional services contracts and ADR for government contracts.

As an educational consultant, Mr. Thomason will provide HPI with education presentations, and assist in obtaining seminar presenters and providing materials for use during conferences and training sessions.

B. Organization Chart

The applicant shall illustrate the position of each staff and line of responsibility/supervision. If the request is part of a large, multi-purpose organization, include an organizational chart that illustrates the placement of this request.

The Executive Director oversees day to day operations of HPI, pursuant to direction from HPI's Board of Directors.

The intake coordinator will have front-line contact with businesses and also supervise the law students who are providing procurement assistance. The educational consultant will assist in the development educational presentations and materials. Both the intake coordinator and the educational consultant will report directly to the Executive Director.

VI. Other

A. Litigation

The applicant shall disclose any pending litigation to which they are a party, including the disclosure of any outstanding judgement. If applicable, please explain.

None


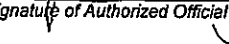
B. Licensure or Accreditation

Specify any special qualifications, including but not limited to licensure or accreditation that applicant possesses relevant to this request.

Please see qualifications of Personnel at Section V.

BUDGET REQUEST BY SOURCE OF FUNDS
 (Period: July 1, 2008 to June 30, 2009)

Applicant: Hawaii Procurement Institute

BUDGET CATEGORIES	Total State Funds Requested (a)	(b)	(c)	(d)
A. PERSONNEL COST				
1. Salaries	100,000			
2. Payroll Taxes & Assessments	17,000			
3. Fringe Benefits	17,000			
TOTAL PERSONNEL COST	134,000			
B. OTHER CURRENT EXPENSES				
1. Airfare, Inter-Island				
2. Insurance				
3. Lease/Rental of Equipment				
4. Lease/Rental of Space	12,000			
5. Staff Training				
6. Supplies				
7. Telecommunication	1,000			
8. Utilities	1,500			
9				
10				
11				
12				
13				
14				
15				
16				
17				
18				
19				
20				
TOTAL OTHER CURRENT EXPENSES	14,500			
C. EQUIPMENT PURCHASES	1,500			
D. MOTOR VEHICLE PURCHASES	0			
E. CAPITAL	0			
TOTAL (A+B+C+D+E)	150,000			
SOURCES OF FUNDING		Budget Prepared By:		
(a) Total State Funds Requested	150,000	Jessica M. Horiuchi 722-5527		
(b)		Name  Phone		
(c)		Date 1/31/09		
(d)		Signature of Authorized Official  Date		
TOTAL REVENUE	150,000	Jessica M. Horiuchi Executive Director Name and Title (Please type or print)		

BUDGET JUSTIFICATION - EQUIPMENT AND MOTOR VEHICLES

Applicant: Hawaii Procurement Institute

Period: July 1, 2008 to June 30, 2009

DESCRIPTION EQUIPMENT	NO. OF ITEMS	COST PER ITEM	TOTAL COST	TOTAL BUDGETED
<i>laptop computer</i>	1.00	\$1,300.00	\$ 1,300.00	1300
<i>printer</i>	1	\$200.00	\$ 200.00	200
		\$ -	-	
		\$ -	-	
		\$ -	-	
TOTAL:	2		\$ 1,500.00	1,500
JUSTIFICATION/COMMENTS:				

DESCRIPTION OF MOTOR VEHICLE	NO. OF VEHICLES	COST PER VEHICLE	TOTAL COST	TOTAL BUDGETED
			\$ -	
			\$ -	
			\$ -	
			\$ -	
			\$ -	
TOTAL:				
JUSTIFICATION/COMMENTS:				

**DECLARATION STATEMENT
 APPLICANTS FOR GRANTS AND SUBSIDIES
 CHAPTER 42F, HAWAII REVISED STATUTES**

The undersigned authorized representative of the applicant acknowledges that said applicant meets and will comply with all of the following standards for the award of grants and subsidies pursuant to section 42F-103, HAWAII REVISED STATUTES:

- (1) Is licensed or accredited, in accordance with federal, state, or county statutes, rules, or ordinances, to conduct the activities or provide the services for which a grant or subsidy is awarded;
- (2) Comply with all applicable federal and state laws prohibiting discrimination against any person on the basis of race, color, national origin, religion, creed, sex, age, sexual orientation, or disability;
- (3) Agree not to use state funds for entertainment or lobbying activities; and
- (4) Allow the state agency to which funds for the grant or subsidy were appropriated for expenditure, legislative committees and their staff, and the auditor full access to their records, reports, files, and other related documents and information for purposes of monitoring, measuring the effectiveness, and assuring the proper expenditure of the grant or subsidy.

In addition, a grant or subsidy may be made to an organization only if the organization:

- (1) Is incorporated under the laws of the State; and
- (2) Has bylaws or policies that describe the manner in which the activities or services for which a grant or subsidy is awarded shall be conducted or provided.

Further, a grant or subsidy may be awarded to a non-profit organization only if the organization:

- (1) Has been determined and designated to be a non-profit organization by the Internal Revenue Service; and
- (2) Has a governing board whose members have no material conflict of interest and serve without compensation.

Further, the undersigned authorized representative certifies that this statement is true and correct to the best of the applicant's knowledge.

_____ Hawaii Procurement Institute (Typed Name of Individual or Organization)	_____ Jessica M. Horuchi (Typed Name)
_____ (Signature)	_____ Executive Director (Title)
_____ 1/31/08 (Date)	_____ (Date)