



## The Senate

STATE CAPITOL  
HONOLULU, HAWAII 96813

October 12, 2021

### MEMORANDUM

TO: Bonnie Kahakui, Chief Procurement Officer  
State Procurement Office

FROM: Senator Sharon Y. Moriwaki, Chair  
Senate Special Committee on Procurement (SCP)

SUBJECT: Senate Special Accountability Committee on Procurement Informational Briefing Follow-Up Questions

Thank you for the very informative October 12 presentation at the Senate Special Committee informational briefing on your assessment of state procurement and contract management procedures and recommendations for improvement.

Several questions and requests for further information arose from the briefing; and, in particular, requests for your researching best practices from federal or other states in providing recommendations to address the following:

1. Roles, responsibilities and authority of the State Procurement Administrator over the executive branch to ensure consistent and fair procurement and contracting by all departments.
2. Statutory amendment to strengthen the role, responsibilities and authority of the State Procurement Office Administrator to audit and take action against procurement officers for violations of the procurement and contracting law and rules.
3. Procedures or policy amendments to address procurements in which fewer than three responses are received.
4. Standards and safeguards for proper departmental use of emergency procurement
5. Standards and criteria for determining change orders beyond the original scope of work that require issuing a new bid.

6. Standards and safeguards for proper use of construction exemptions
7. Models from federal or other states to improve the state's procurement and contract management policies and procedures to ensure fair, consistent and efficient organization and functions throughout the state, including but not limited to centralized procurement in SPO and departmental offices; type of required staffing, including a construction procurement officer; and dedicated training and auditing staff.
8. Procedure, anticipated outcome, staffing and costs to conduct annual random audits of departments.
9. Policies and procedures to address problems of competitive bids requiring departments to obtain the lowest bid rather than making decisions on past performance, qualifications of personnel, management approach, responsive and responsible bidder, etc.
10. Procedures and penalties to address non-compliant department chief procurement officers, e.g., stronger penalties than removing delegation? More rigorous training and certification? Dedicated certified procurement staff?
11. Assess the effectiveness of the state procurement council -- its functions and responsibilities, scope of work and authorities, accomplishments during the past 5 years; and whether it should be continued.

Please submit your responses to the following questions by **COB on October 22** to Committee Clerk Kaley Vatalaro at [k.vatalaro@capitol.hawaii.gov](mailto:k.vatalaro@capitol.hawaii.gov).

Thank you for your attention to this matter.

Attachment.

cc: Senator Donovan M. Dela Cruz  
Senator Michelle N. Kidani  
Senator Donna Mercado Kim  
Senator Kurt Fevella  
Donna Tsuruda-Kashiwabara  
Kevin Takaesu