STATE OF HAWAII

NOTICE OF AND REQUEST FOR EXEMPTION FROM CHAPTER 103F, HRS

'10 AUG -2 P3:20

STATE PROCUREMENT OFFICE
STATE OF HAWAII

To: Chief Procurement Officer

From: Department of Defense
Department/Division/Branch or Office

Pursuant to § 103F-101(a)(4), HRS, and Chapter 3-141, HAR, the Department requests a procurement exemption to purchase the following:

1. Title and description of health and human service(s):	LIFE SKILLS TRAINING AND WORK READINESS PROGRAMS FOR YOUTH AND ADULTS FUNDED UNDER THE AMERICAN RECOVERY AND REINVESTMENT ACT OF 2009 (ARRA). The Department of Defense (DOD) has entered into an MOA dated June 10, 2010 with the Department of Human Services (DHS) to provide a Summer Youth Employment Program (SYEP) from July to September 30, 2010. A subsequent MOA between DOD and DHS dated July 19, 2010 provided additional ARRA funding for the SYEP in the amount of $5,000,000. (See Attached) Finally, we just received approval from the GOV for an additional $5,000,000 in ARRA SYEP funds.
2. Provider Name and Address:	The Paxen Learning Corporation 710 Atlantis Road Melbourne, FL 32904
3. Total Contract Funds: Contract Funds per Year (if applicable):	$743,854
4. Reference number of Previous Request for this Service (if applicable):	
5. Term of Contract:	Start: August 1, 2010 End: 9/30/11
6. Describe how procurement by competitive means is either not practicable or not advantageous to the State:	1. Extremely narrow window that is available for the expenditure of this ARRA money, i.e. $5mil must be spent by 9/30/10. 2. The procurement time line including RFI, publication of RFP, 30 day deadline to receive proposals, proposal evaluation, offer of award, and contract execution will exceed the time limits in item #1. 3, The Paxen Learning Corporation (Paxen) is already contracted to do basically what the SYEP is expected to do. The present contractors' participants who complete their own youth program (over 1,200) can move into the SYEP seamlessly as they already share elements common to both Paxen's youth program and the ARRA Summer Youth Employment Program.
7. Describe the reason for the selection of the provider including a description of how the procedure ensured the maximum fair and open competition practicable:	The Paxen Learning Corporation (Paxen) is a current contractor to the DOD providing the very same services ascribed in the SYEP but under much more generous time limits (annual contract vs. a two-month contract.) The current contract services both youth and adults in providing them job readiness skills and opportunities either p/t afterschool or f/t in the case of adults. These same attributes are shared by the SYEP. If sufficient time was available for a proper procurement of services, Paxen would be most likely to be offered the award.

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8. Describe the state agency's internal controls and approval requirements for the exempted procurement: **Since Paxen was selected via a formal RFP process and is subject to regular monitoring and evaluation by the DOD, the same controls and overview would be implemented.**	
9. List the state agency personnel, by position title, who will be involved in the approval process and administration of the contract: **Ken Nakagawa, Program Specialist**	
10. Direct questions to (name & position):	**Ken Nakagawa**
Phone number:	**733-4219**
e-mail address:	**knakagaw@dod.hawaii.gov**

I certify that the information provided above is to the best of my knowledge true and correct.

[signature] BG(ii)DAG 8/2/10
Department Head Signature *Date*

Gary M. Ishikawa, BG
Typed Name

NOTICE

The chief procurement officer is considering this request for exemption and, if there is good cause, the state intends to exempt the purchase as described in the request. Any inquiries regarding the purchase shall be directed to the contact person noted in item 10 of the request. Any concerns regarding the exemption shall be in writing and received by the chief procurement officer within seven days of the date the notice was first posted. Concerns shall be mailed to: Aaron Fujioka, Chief Procurement Officer, State Procurement Office, 1151 Punchbowl St., #230A, Honolulu, HI 96813.

Chief Procurement Officer's Comments:

☐ **APPROVED** ☐ **DISAPPROVED** ☐ **NO ACTION**

Chief Procurement Officer Signature *Date*

Please ensure adherence to applicable administrative requirements.

MEMORANDUM OF AGREEMENT
SUPPLEMENTAL No. 1

Between

Benefit, Employment and Support Services Division
Department of Human Services

And

Department of Defense

This Supplemental Memorandum of Agreement No.1 (hereafter referred to as "MOA") is made and entered into by and between the State of Hawai'i, Department of Human Services (hereafter "DHS"), an agency of the State of Hawai'i which is responsible for, among other things, providing local welfare services whose business address is Queen Liliuokalani Building, 1390 Miller Street, Honolulu, Hawai'i 96813, and the State of Hawai'i, Department of Defense whose business address is Adjutant general's Office, 3949 Diamond Head Road, Honolulu, Hawai'i 96816. For the Department of Human Services, the Benefit, Employment and Support Services (BESSD) will be the primary agency responsible for performance of conditions under this MOA. For the Department of Defense, Hawaii National Guard will perform and direct all services to be performed under this MOA.

WITNESSETH:

WHEREAS, the American Recovery and Reinvestment Act of 2009 (hereinafter "ARRA"), Section 2101 established the Temporary Assistance to Needy Families Emergency Contingency Fund (hereinafter "TANF ECF").

WHEREAS, pursuant to Policy Announcement, TANF-ACF-PA-2009-01, the Federal Administration for Children and Families ("ACF"), overseeing the Temporary Assistance to Needy Families (hereinafter "TANF"), has encouraged States to access the TANF ECF.

WHEREAS, said Policy Announcement, TANF-ACF-PA-2009-01, suggests to "expand short-term emergency help to needy families", and "expand subsidized employment programs that can provide wage-paying jobs when too few exist", as examples on the use of the TANF ECF.

WHEREAS, "Non-recurrent short-term benefits" are defined in 45 CFR 260.31(b)(1) and 45 CFR 286.10(b)(1), *as* "benefits designed to deal with a specific crisis situation or episode of need, that are not intended to meet recurrent or ongoing needs, and that will not extend beyond four months."

WHEREAS, the BESSD administers the TANF programs and available streams of

TANF funding, that includes funding from the TANF ECF.

WHEREAS, the DOD manages other youth related programs designed for school age at-risk youth to focus on functional life skills, work readiness skills, prevention and reduction out-of-wedlock pregnancies, and drug awareness issues. About Face! Program focuses on connecting academic and occupational learning, ensuring graduates are prepared with essential life skills, teaching leadership skills, and preparing for future training and employment.

WHEREAS, the BESSD and DOD recognize that through a Summer Youth Employment Program, low-income youth will be able to gain valuable paid work experience which is critical in fostering a healthy work ethic needed for future career building. Additional benefits that are possible are mentoring, relationship building, and skills training.

WHEREAS, the DOD and the DHS entered into a Memorandum of Agreement, hereinafter referred to as "MOA", for the Summer Youth Employment Program with the goal of assisting low-income youth gain valuable paid work experience which is critical in fostering a healthy work ethic needed for future career, for the period of June 15, 2010 to and including September 30, 2010; and

WHEREAS, Section J of the MOA, "BINDING EFFECT OF THE AGREEMENT," states that the MOA "can be changed by written Supplemental MOA at any time [,]" and Section G of the MOA, "MODIFICATION OF THE AGREEMENT," provides that any modifications, alterations, or changes to the MOA be made by written Supplemental MOA executed by all parties; and

NOW, THEREFORE, the DOD and DHS mutually agree to the following modifications to the MOA:

Therefore be it resolved that the parties agree to the following:

1. **Section A. "DUTIES AND RESPONSIBILITES OF DOD" is amended to read as follows:**

   1. b. Solicit worksites from government agencies, private non-profit and for profit organizations.

   i. DOD shall be the employer of record for any placements and shall be the fiscal agent responsible for payment of wages to youth.

2. **Section F. "COMPENSATION AND PAYMENT FOR SERVICES" is amended to read as follows:**

   In full consideration for the services performed by the DOD under this

MOA, the BESSD agrees, subject to allotments to be made by the Director of Finance, State of Hawaii, pursuant to Chapter 37, Hawaii Revised Statutes, to pay the DOD, **FIVE MILLION AND NO/100 DOLLARS** ($5,000,000.00) in TANF ECF federal funds, CFDA 93.714, for fiscal year 2010:

All other sections of the MOA remain in effect.

IN WITNESSETH WHEREOF, in mutual agreement to the modifications to the MOA set forth herein, DOD and DHS execute this SA1.

By: _____
Lillian B. Koller
Director

DATE: 07/19/10

By: _____
Maj. Gen. Robert G. F. Lee
Adjutant General

DATE: 7/6/10