Draft 1/10/02

EUTF Procurement Process

PURPOSE: To establish a procurement process that provides a fair and reasonable process in awarding contracts for benefit plans and professional services required by the Fund.

Act 88, SLH 2001, provides that the following services may be procured without regard to Chapter 103D, HRS.

- Benefit plans
- Professional services and advisors such as benefits consultant, financial auditor, claims auditor, actuaries, investment firms and managers.
- Third party administrator

All other procurement follows DAGS rules and procedures

DRAFT PROCESS

1. Develop the requirements for the services being procured and the factors to be used in evaluating contractor proposals.
   (The evaluation factors provides a consistent review of all contractor proposals and some basis for the selection of the best qualified.)

2. Develop a list of possible contractors from qualified sources, e.g., other state agencies like DCCA, DAGS, working knowledge about the contractors available, etc.

3. Send letters to the contractors on the list to solicit their interest.

4. Send interested contractors a packet of the items that must be submitted for review by the committee, such as answers to specific questions, samples, proposals, etc. Set a deadline for a response.

5. Review the materials submitted and determine the best qualified or create a list of the top three contractors.

6. Submit a recommendation to the Board for approval to negotiate a contract.

7. The committee negotiates a contract, including the cost for the services. If agreement can not be reached on a contract, then the committee proceeds to the next qualified contractor to negotiate a contract.

8. Submit to Board for final approval of negotiated contract.