

**Technical Panel
of the
Nebraska Information Technology Commission**

Standards and Guidelines

**Draft Document
30-Day Comment Period**

Title: IT Procurement Review Policy (Revised)

Notes to Readers:

1. The following document is a draft document under review by the Technical Panel of the Nebraska Information Technology Commission (NITC). This document is posted at <http://nitc.ne.gov/standards/comment/>.
2. If you have comments on this document, you can submit them by email to rick.becker@nebraska.gov, or call 402-471-7984 for more information on submitting comments.
3. The comment period for this document ends on October 9, 2009.
4. The Technical Panel will consider this document and any comments received at a public meeting following the comment period, currently scheduled for October 13, 2009. Information about this meeting will be posted on the NITC website at <http://nitc.ne.gov/>.

**State of Nebraska
Nebraska Information Technology Commission
Standards and Guidelines**

NITC 1-204 (Draft Revised)

Title	IT Procurement Review Policy
Category	General Provisions
Applicability	Applies to all state agencies, boards, and commissions, excluding the University of Nebraska

1. Policy

By statute, certain state agency purchases of communications equipment and information management items require the approval of the Office of the Chief Information Officer (OCIO). This policy provides guidance to agencies for compliance with these statutory requirements.

1.1 Criteria for Reviews of Information Technology Equipment, Software, and Services

- 1.1.1 Does the procurement comply with NITC standards and enterprise architecture?
- 1.1.2 Does the procurement avoid unnecessary duplication of expenditures?
- 1.1.3 Does the procurement address opportunities for collaboration or data sharing, if applicable?
- 1.1.4 Does the procurement represent the right technology for the job?
- 1.1.5 Does the procurement require skills or resources that exceed the capability of the agency to provide or acquire?

1.2 Information for Reviews

The Agency Information Technology Plan (<http://www.nitc.ne.gov/standards/1-201.html>), which is submitted in conjunction with the biennial budget request, provides the general context for procurement decisions.

In some cases, a diagram and explanation of the technical architecture is necessary for determining the appropriate technology for the purpose. Technical architecture describes the hardware, software and network infrastructure needed to support the deployment of core, mission-critical applications.

The specific documentation that is useful depends on the type of purchase.

1.2.1 Documentation for purchase requisitions and purchase orders in NIS (document types ON and 06)

- Agencies **must** attach sufficient information in NIS that allows the reviewer to determine what is being purchased, the purpose being served, total cost, and a contact for additional information. This information can be provided as either a text note or an attachment to the header in NIS. In

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addition, the following types of documents are helpful, if available:

- Bill of materiel from the vendor
- Quotation from the vendor
- Technical architecture specific to the purchase.

1.2.2 Documentation for Competitive Solicitations (request for proposals, requests for information, invitations to bid)

- Agencies must provide a draft copy to the OCIO of the solicitation (RFP, RFI, ITB) at least 30 days prior to its planned release.

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1.2.3 Documentation for Sole Source Requests / Requests for Deviation from the Competitive Process

- Agencies must document the reasons for not following the competitive process.

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1.2.4 Documentation for Purchase of Servers.

1.2.4.1 Server consolidation and virtualization are important options for reducing hardware costs and achieving greater economies in operational support and energy use. Before replacing existing servers or buying additional servers, agencies must evaluate the feasibility of server consolidation and virtualization.

1.2.4.2 Agencies considering a server purchase should develop their plans in consultation with the OCIO.

1.2.4.3 When purchasing servers, conduct a technical analysis. The technical analysis should identify the business function being served and include hardware requirements, networking requirements, and business continuity requirements. When replacing existing servers, the technical analysis should also include a utilization analysis. If the technical analysis shows virtualization to be the best solution, the enterprise virtual environment will be given first consideration.

1.2.4.4 Based on the technical analysis, evaluate whether consolidation is a feasible option, either through co-location of applications or virtualization. Examples of co-location include multiple applications on a web-server or multiple databases on an SQL server.

1.2.4.5 Submit copies of the quote, technical analysis, evaluation, and all supporting architecture diagrams to the OCIO at least 30 days prior to initiating the procurement process in NIS.

1.3 Approval Timelines

1.3.1 Routine purchases recorded in NIS (using document types ON and 06), such as PCs, laptops, printers, and low cost items will be reviewed and acted upon within one workday.

1.3.2 Procurement requests that are more complex will be reviewed and acted upon within 3 workdays. The action may be a request for clarification or additional information. The goal is to

resolve all issues and provide a final action within 10 workdays, excluding the time an agency requires to respond to requests for additional information.

1.3.3 Reviews of major solicitations (RFPs, RFIs, ITBs) will be reviewed and acted upon within 7 workdays. The action may be a request for clarification or additional information. The goal is to resolve all issues and provide a final action within 12 workdays, excluding the time an agency requires to respond to requests for additional information.

1.4 List of Preapproved Items for Purchase

1.4.1 For the purpose of procurement reviews pursuant to Neb. Rev. Stat. §§ 81-1117, 81-1120.17 and 81-1120.20, the Office of the CIO will maintain a list of preapproved items for purchase by agencies. The list will identify communications equipment and information management items that by their nature are low cost and pose little risk of violating the criteria established in Section 1.1. The list may also designate certain items as not requiring a review because the primary purpose of the items is other than information management. Agencies have prior approval to purchase items on this list.

1.4.2 The list described in this section will appear in Attachment “A” to this document. The Technical Panel may approve revisions to Attachment “A” as requested.

2. Purpose and Objectives

2.1 Statutory Requirements

2.1.1 Communications Equipment

Section 81-1120.17 requires the Division of Communications to “(1) coordinate the purchase, lease, and use of communications services equipment and facilities for state government.” Subsections 4 and 5 require DOC to consolidate and integrate radio communications systems and services, consolidate telephone and telephone-related activities, to provide for joint use of communications services, and to “approve all purchases and contracts for such communications activities.” Section 81-1120.20 requires state agencies to “coordinate all communications services or facilities procurement through the Director of Communications.”

2.1.2 All Other Information Management Items

Section 81-1117(2)(e) states that “No state agency shall hire, purchase, lease, or rent any information management item listed in subsection (a) of this section without the written approval of the information management services administrator.”

2.2 Objectives

The procurement review process should serve the following objectives established in statute:

2.2.1 “Substantial economies can be effected by joint use of a consolidated communications system by departments, agencies, and subdivisions of state government.” [Section 81-1120.01]

2.2.2 “To coordinate the purchase, lease, and use of communications services equipment and facilities for state government.” [Section 81-1120.17(1)]

2.2.3 “To advise departments and agencies of the state and political subdivisions thereof as to systems or methods to be used to meet requirements efficiently and effectively.” [Section 81-

1120.17(2)]

2.2.4 “To prevent unnecessary duplication of information management operations and applications in state government.” [Section 81-1116.02]

2.2.5 “To assure the most cost-effective use of state appropriations” ... and “To coordinate the state’s investments in information technology in an efficient and expeditious manner.” [Section 86-513]

2.2.6 To “adopt minimum technical standards, guidelines, and architectures...” [Section 86-516(6)]

2.2.7 To “coordinate efforts among other noneducation state government technology agencies and coordinating bodies.” [Section 86-520(4)]

2.2.8 To “work with each governmental department and noneducation state agency to evaluate and act upon opportunities to more efficiently and effectively deliver government services through the use of information technology.” [Section 86-520(7)]

2.2.9 To “recommend ... methods for ... making information sharable and reusable, eliminating redundancy of data and programs, improving the quality and usefulness of data, and improving access to data...” [Section 86-520(8)]

2.2.10 To “aggregate demand, reduce costs ... and encourage collaboration between communities of interest” [Section 86-524(1)(c)]

2.2.11 To “encourage competition among technology and service providers.” [Section 86-524(1)(c)]

2.2.12 To coordinate the state’s investments in information technology in an efficient and expeditious manner ... and avoid “cumbersome regulations or bureaucracy.” [Section 86-515]

3. Definitions

3.1 Communications

Section 81-1120.02 includes the following definitions:

“(3) Communications system shall mean the total communications facilities and equipment owned, leased, or used by all departments, agencies, and subdivisions of state government; and (4) Communications shall mean any transmission, emission, or reception of signs, signals, writing, images, and sounds or intelligence of any nature by wire, radio, optical, or other electromagnetic systems.”

3.2 Information Management Item

Pursuant to Section 81-1117(1), “information management item” includes but is not limited to:

(a) Computer equipment; (b) Peripheral devices (such as data input, data output, data storage, or data communications); (c) Computer code, programs or operating systems; and (d) Service contracts for information technology.

4. Related Documents

- 4.1 [Direct Market Purchase Authority](#) (DAS Materiel Memo dated July 1 of each year)
- 4.2 [NIS Procurement Manuals, Document Flows and Menu Selections](#) - Exception Order Purchases for Communication Equipment and Information Management Items
- 4.3 [NIS Final Level of Approvals](#)
- 4.4 [Entering a Purchase Requisition](#) (Including Information Management Items)
- 4.5 [Entering a Purchase Requisition for OT Equipment](#) (Communications Equipment)

[Attachment A](#): List of Preapproved Items for Purchase

VERSION DATE: DRAFT - September 3, 2009
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PDF FORMAT: <http://nitc.ne.gov/standards/1-204.pdf>
