CALIFORNIA TECHNOLOGY AGENCY

IT POLICY LETTER

NUMBER:
ITPL 11-05

DATE ISSUED:
JUNE 3, 2011

EXPIRES:
Until Rescinded

SUBJECT:
INFORMATION TECHNOLOGY ACQUISITION PLAN
PROCESS REVISIONS

Emphasis: Delegation of Information Technology Acquisition Plan approval authority for certain categories of information technology goods and services to Department Directors and Agency or Department Chief Information Officers

REFERENCES:
Government Code Sections 11545 and 11546 et seq
Information Technology Policy Letters 09-06 and 11-01
State Administrative Manual Sections 4819.2 and 4982.1
Statewide Information Management Manual Sections 05A and 18C

ISSUING AGENCY:
CALIFORNIA TECHNOLOGY AGENCY

DISTRIBUTION
Agency Secretaries
Department Directors
Agency Chief Information Officers
Department Chief Information Officers

PURPOSE
The purpose of this Information Technology Policy Letter (ITPL) is to announce the following changes to the Information Technology Acquisition Plan (ITAP) process:

- Only ITAPs for certain categories of information technology (IT) goods and services specified later in this ITPL are subject to California Technology Agency (Technology Agency) review and approval.

- ITAPs for acquisition categories not subject to Technology Agency review and approval are delegated to Department Directors and Agency or Department Chief Information Officers (CIOs) for review and approval.

- The process for notifying the Technology Agency of acquisitions made using an Emergency Exemption.

BACKGROUND
The Technology Agency established the ITAP process in July 2009, pursuant to ITPL 09-06, to support the state’s efforts to promote the efficient and effective use of IT in furtherance of the Legislative intent of Government Code Section 11545. ITPL 11-01 added the requirement for Department Director certification signature on ITAPs prior to submittal to the Technology Agency. In addition to providing expenditure information to the Technology Agency, the ITAP process also provides state agencies with IT acquisition overview information for historical and planning purposes.

Consistent with Government Code Section 11546, the Technology Agency is responsible for the approval and oversight of IT projects, as well as the establishment of restrictions or other controls to mitigate nonperformance by agencies. These controls may include the revocation or reduction of

1 When capitalized, the term “Agency” refers to one of the state’s super Agencies such as the State and Consumer Services Agency or the Health and Human Services Agency. When used in lower case, the term “agency” refers to any office, department, board, bureau, commission or other organizational entity within state government. Within this ITPL, “agency” and “department” are used interchangeably.
POLICY
This ITPL amends ITPL 09-06 and revises the Technology Agency’s ITAP review and approval process to identify the categories of IT (and specific items within each category) that require Technology Agency approval. Departments shall submit ITAPs to the Technology Agency for review and approval only for the categories of IT goods and services specified as follows:

- E-mail, Directory and Collaboration Services
  - Directory services
  - Any client or server-side e-mail service or software
  - Any Anti-Spam or Anti-Virus Software or Appliance-based Anti-Spam or Anti-Virus solution

- Network
  - Dark Fiber
  - WAN-related items, including Metropolitan WAN
  - LAN extensions or network connections between sites
  - Channel Service Unit/Data Service Units (CSU/DSU)
  - Routers
  - IPS Firewalls
  - Storage Area Network items
  - Switches (except those providing connectivity within a facility)

- Facilities
  - Server Room, Computer Room, or Network Closet
  - Data Center Facility
  - Data Center grade Uninterruptible Power Supply
  - Data Center HVAC
  - Data Center Generator
  - Managed, outsourced or co-located facilities

- Server, Virtualization, Storage and Backup
  - All types of servers
  - Server Hosting Services
  - Cloud Computing Services
  - Disaster Recovery items should be noted for reporting purposes only

This change is effective beginning with the June 13, 2011 ITAP reporting period for ITAPs submitted to the Technology Agency for review and approval for the upcoming quarter (July 2011).

For all other ITAPs, review and approval is delegated to the Department’s Director and Agency or Department CIO. However, departments will report delegated approved ITAPs, including all items acquired using an Emergency Exemption, to the Technology Agency for informational purposes beginning December 12, 2011 for the previous quarter (July, 2011).

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2 Departments that operate a Tier III-equivalent Data Center, as described in the State Administrative Manual (SAM) Section 4982.1, are exempt from the requirement to submit an ITAP for Facilities-related items to the Technology Agency for approval. However, IT goods and services for the remaining categories must be submitted for Technology Agency approval. Also, Facilities-related acquisitions shall be included in the department-approved ITAPs submitted to the Technology Agency for informational purposes. Please note that the Computer Room Construction policy described in ITPL 09-04 and in SIMM 18A, Computer Room Construction remain in effect.
August and September 2011).

This requirement does not diminish or replace any approval authority that Agencies may have over their constituent-departments that may be greater than the requirements included in this ITPL. Accordingly, departments should continue to follow their Agency’s processes and procedures concerning IT purchases, including Agency-established delegated approval limits and or reporting criteria.

**APPLICABILITY**

The ITAP acquisition applicability and authorization requirements included in ITPLs 09-06 and 11-01 remain unchanged and apply for ITAPs submitted to the Technology Agency for review and approval, and for ITAPs delegated to state agencies.

The reporting thresholds established pursuant to ITPL 09-06 remain unchanged for both delegated and non-delegated ITAPs, and are as follows:

- IT Services and Consulting acquisitions with an aggregate value of $100,000 or greater;
- Public Safety Communications Goods and Services acquisitions (e.g., purchase, lease, maintenance, support, and related services) with an aggregate value of $25,000 or greater;
- Hardware acquisitions (e.g., purchase, lease, maintenance, support, and related services) with an aggregate value of $20,000 or greater;
- Telecommunications Goods and Services (e.g., purchase, lease, maintenance, support, and related services) with an aggregate value of $5,000 or greater; and
- Software acquisitions (e.g., purchase, lease, maintenance, support, and related services) with an aggregate value of $5,000 or greater.

As a reminder, it is contrary to state policy to split contracts or purchase orders to avoid administrative reporting requirements.

**DEFINITIONS**

The State Administrative Manual (SAM) Section 4819.2, Definitions, will be updated to include the following definition for Cloud Computing:

- **Cloud Computing:** A model for enabling ubiquitous, convenient, on-demand network access to a shared pool of configurable computing resources (e.g., networks, servers, storage, applications, and services) that can be rapidly provisioned and released with minimal management effort or service provider interaction. (NIST Special Publication 800-145 (Draft), January 2011.)

**EMERGENCY EXEMPTIONS**

In the event of an emergency as defined in Public Contract Code section 1102, state agencies may conduct acquisitions for IT goods and services with an aggregate value of $25,000 or less without an approved ITAP. Such acquisitions shall be included in an informational ITAP in accordance with

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3 An emergency is defined in the Public Contract Code 1102 as a “sudden, unexpected occurrence that poses a clear and imminent danger, requiring immediate action to prevent or mitigate the loss or impairment of life, health, property, or essential public services”. SAM Section 6560 specifies that emergency expenditures cannot exceed $25,000, unless approved by Finance.
the submittal information in the Procedures section below.

PROCEDURES

Preparation and Approval – The requirements for ITAP preparation and approval are unchanged and apply for ITAPs submitted to the Technology Agency for review and approval, and for ITAPs delegated to state agencies.

Accordingly, prior to the issuance of any bid document(s), purchase order(s), contract(s), or contract amendment(s) that will result in a contract and/or purchase order for an acquisition with an aggregate value equal to or exceeding the dollar thresholds described in the Applicability section above, agencies must have either:

1. An ITAP approved by the Technology Agency for the specified categories of IT goods and services listed in the Policy section above; or
2. An ITAP approved by the state agency for all other department-approved acquisitions.

Signature – The requirements for Department Director and Agency or Department CIO signatures on ITAPs are unchanged. Department Director and Agency or Department CIO signature are required on all ITAPs, regardless of whether the ITAP is submitted to the Technology Agency for approval, or approved by the agency.

As described in the Policy section above, this requirement does not diminish or replace any approval authority that Agencies may have over their constituent-departments that may be greater than the requirements included in this ITPL.

Template – State agencies should complete ITAPs using the template located in Section 18C of the Statewide Information Management Manual (SIMM). The same template should be used for both ITAPs submitted to the Technology Agency for review and approval, and for ITAPs delegated to state agencies. Please note that ITAPs submitted to the Technology Agency for review and approval should contain only those items corresponding to the categories of IT goods and services requiring Technology Agency approval. Similarly, department-approved ITAPs should contain only items not specified as requiring Technology Agency approval.

The Cover Page tab of the ITAP template has been updated to include the categories of IT goods and services requiring Technology Agency approval prior to acquisition, and check-boxes to indicate whether the ITAP is submitted for Technology Agency approval or for informational purposes.

The ITAP template is available to download at: SIMM 18C - IT Acquisition Plan Template.

Submittal – The due dates specified in SIMM Section 05A remain unchanged for ITAPs submitted to the Technology Agency for review and approval. ITAPs requiring Technology Agency review and approval must be submitted to the Technology Agency prior to the fiscal quarter in which the acquisitions are scheduled to be initiated.

ITAPs approved under a department’s delegated approval authority, including all items acquired under the Emergency Exemption process, must
be sent to the Technology Agency for informational purposes after the end of the quarter in which the ITAP was approved.

Refer to the listing of ITAP submittal due dates located in SIMM Section 05A. An excerpt of SIMM Section 05A is included as Attachment A.

Please note that SIMM 05A has also been updated to remove the references to future reporting of Actual Acquisition Costs.

All ITAPs should continue to be submitted electronically to the existing e-mail address at: ITContract.Approval@state.ca.gov. For ITAPs subject to Technology Agency review and approval, feedback will be provided to agencies within 15 business days of their submittal.

**SAM AND SIMM CHANGES**

The SAM Section 4819.2 will be updated to include the Cloud Computing definition previously discussed.

The SIMM located at http://www.cio.ca.gov/Government/IT_Policy/SIMM.html will be updated to include the following changes:

- **SIMM Section 05A, Required IT Reports and Activities** – Updated to include the schedule for submitting informational delegated ITAPs to the Technology Agency and to remove the intended future requirement to report Actual Acquisition Costs.

- **SIMM Section 18C, IT Acquisition Plan Request** – Updated to include the type of ITAP, a listing of technology categories and items that require Technology Agency review and approval prior to acquisition, drop-down lists to indicate consolidation-related items, as well as updated XML schema. In addition, the Frequently Asked Questions (FAQs) have been updated to include FAQs for this ITPL.

**CONTACT**

Questions regarding this ITPL should be directed to Fei Collier, Deputy Director, OTech Customer Delivery Division, at Fei.Collier@State.ca.gov.

**SIGNATURE**

/AF for/  
Christy Quinlan,  
Acting Secretary, California Technology Agency  
State of California
### Information Technology Acquisition Plan (ITAP)

**ITPL 09-06**
- **Submit electronically to the Technology Agency.**
- Send to Technology Agency****
  - The second Monday of each quarter.
  - See table below.

**ITPL 10-07**
- **ITPL 11-01**
- **ITPL 11-05**

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### Organizational/Planning Documents

<table>
<thead>
<tr>
<th>Reporting Due Date (2nd Monday)</th>
<th>ITAPs for planned acquisitions that are submitted to the Technology Agency for approval for the upcoming quarter as indicated below</th>
<th>Informational ITAPs for reporting of acquisitions that were approved by your Department for the quarter as indicated below</th>
</tr>
</thead>
<tbody>
<tr>
<td>June</td>
<td>Q1 – July, August, September</td>
<td>Q3 – January, February, March</td>
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<tr>
<td>September</td>
<td>Q2 – October, November, December</td>
<td>Q4 – April, May, June</td>
</tr>
<tr>
<td>December</td>
<td>Q3 – January, February, March</td>
<td>Q1 – July, August, September</td>
</tr>
<tr>
<td>March</td>
<td>Q4 – April, May, June</td>
<td>Q2 – October, November, December</td>
</tr>
</tbody>
</table>

**Please note:** The Technology Agency will accept early submission of the quarterly ITAPs

****Submit electronically to [ITContract.Approval@state.ca.gov](mailto:ITContract.Approval@state.ca.gov).