

Information Technology Policy

IT Investment Review Process

ITP Number ITP-BUS002	Effective Date May 13, 2005
Category Business	Supersedes ITP-PRO001
Contact RA-ITCentral@pa.gov	Scheduled Review May 2022

1. Purpose

This Information Technology Policy (ITP) establishes policy and procedures for the Office of Administration, Office of Information Technology (OA/OIT), review and approval of Information Technology (IT) Investments.

2. Scope

This ITP applies to all departments, boards, offices, commissions and councils under the Governor’s jurisdiction (hereinafter referred to as “agencies”). Agencies not under the Governor’s jurisdiction are strongly encouraged to follow this ITP.

3. Definitions

3.1 Amendment: A written alteration in specifications, delivery point, rate of delivery, period of performance, price, quantity, or other provisions of any contract. (i.e. dollar thresholds, modifications/revisions, terms and conditions, billing/payment structures, authorization and specification of scope change)

3.2 Change Order: A printed or electronic order signed by the Contracting Officer directing the contractor to make changes that are authorized by the changes clause of the contract. Change Orders may be either with the consent of the contractor or a unilateral order by the Contracting Officer.

3.3 Contracting Officer: One who is authorized to enter into contracts for supplies and Services.

3.4 Contract Value: Total dollar amount of the entire contract term (the base term and all estimated costs for option years)

3.5 Expedite: 10 business days. These types of investment submissions are in response to

- (a) a security incident or highly probable threat associated with severe risk of hacking, virus or other malicious activity that could result in wide-spread outages, damage to mission critical assets, or compromises to systems and/or critical infrastructure;
- (b) there could be a disruption of mission critical services impacting the health, safety, or welfare of citizens or Commonwealth employees;
- (c) avoidance of significant financial losses;
- (d) failures of critical infrastructure or equipment;
- (e) unanticipated events that make it impossible for an agency to perform a statutory or critical function in a necessary timeframe;

- (f) missed opportunity in which substantial benefits or opportunities will be lost if actions are not taken within a specific timeframe; or
- (g) an immediate or unexpected need where there is insufficient time to procure using more formal competitive procedures.

3.6 Hardware: Any computerized machine or related device used on behalf of the Commonwealth. Examples of these devices include desktops/laptops, servers, network devices, telecommunication devices.

3.7 Invitation For Bids (IFB): Competitive sealed bidding for an IT product or Service. Refer to Part I, Chapter 02, "Definitions" and Section A of Part I Chapter 06 "Method of Awarding Contracts" of the Procurement Handbook.

3.8 Invitation To Qualify (ITQ): A multiple award contract used to procure IT services from contractors pre-qualified in various IT service categories. Refer to Part I, Chapter 02, "Definitions" and Section A of Part I Chapter 06, "Method of Awarding Contracts" of the Procurement Handbook.

3.9 New Software: Applies to the acquisition of Software when one or more of the following conditions exist, regardless of dollar threshold:

- The product does not currently exist on a contract.
- There is no existing license agreement that has been approved by appropriate legal entities.

3.10 Notice of Forth Coming Procurement (NFP): Public notice posted to the eMarketplace website notifying vendors of an upcoming procurement. This is required for all procurements in the amount of \$250,000.00 or greater.

3.11 Request for Proposal (RFP): An RFP is a competitive sealed method of procurement where proposals are solicited and the award is made to the responsible offeror whose proposal is determined, in writing, to be the most advantageous to the purchasing agency. Refer to Part I, Chapter 02, "Definitions" and Section A of Part I Chapter 06 "Method of Awarding Contracts" of the Procurement Handbook.

3.12 Request for Quote (RFQ): An RFQ is a competitive sealed method of procurement where quotes are solicited and the award is made to the responsible contractor whose quote is determined, in writing, to be the most advantageous to the purchasing agency. Refer to Part I, Chapter 02, "Definitions" and Section A of Part I Chapter 06 "Method of Awarding Contracts" of the Procurement Handbook.

3.13 Routine: 20 business days. These types of investment submissions are not in response to

- (a) a security incident or probable threat;
- (b) there is no disruption of mission critical services impacting health, safety or the welfare of citizens or Commonwealth employees;
- (c) not a significant financial loss;
- (d) no failure of critical infrastructure or equipment; or
- (e) not an immediate need, associated with a critical function or a necessary timeframe.

3.14 Service: A Service provided by an IT service provider which is made up of a combination of information technology, people and processes. Examples include: ASP, DaaS, Hosted COTS, IaaS, PaaS, SaaS and OA/OIT services as defined in the service

catalog.

3.15 Software: A collection of instructions and data that tell a computer how to work or what to do.

3.16 Solicitation: A procurement process for inviting vendors to bid on opportunities to provide goods and Services.

3.17 Sole Source: The process by which an agency requests a sole/single vendor to procure materials or Services.

3.18 Standard: Specific directives, specifications, or procedures used as a minimum acceptable benchmark that must be followed in order to ensure a consistent implementation of information technology practices.

4. Policy

Agencies shall review the Procurement Handbook (refer to Section 8 for link) to ensure compliance with all investment and procurement processes and shall follow the procedures outlined in RFD-BUS002B *IT Investment Reference Document*. The following investments must comply with RFD-BUS002B *IT Investment Reference Document* and approval for these investments shall be obtained through the appropriate Governing Bodies via the enterprise IT Investment process:

- Solicitations for information technology (RFP, ITQ/RFQ or IFB) or Sole Source procurements in the amount of \$250,000.00 or greater. This includes:
 - The purchase of cloud-based IT Services.
 - IT Hardware (i.e., desktops/laptops, network and telecommunication).
 - Other IT Services.
 - Software in which the product currently exists on a contract or there is an existing license agreement already approved by appropriate legal entities.
- Purchases from an existing Enterprise/Statewide contract that is in the amount of \$250,000.00 or greater.
- All procurements for a product other than a named Standard, regardless of dollar value.
- All new procurements for staffing or consulting IT Services in the amount of \$250,000.00 or greater.
- Contract changes whether they are an Amendment or Change Order, resulting in subsequent investments in the amount of \$250,000.00 or greater or greater than 20% of the Contract Value. This includes cumulative submissions associated with the same contract change when the combined dollar value results in the amount of \$250,000.00 or greater.
- Special procurements regardless of dollar value:
 - New software:
 - The product does not currently exist on a contract;
 - There is no existing license agreement that has been approved by appropriate legal entities; and/or
 - It is an initial or additional purchase that results in significant impacts or changes to the software portfolio and/or cost recovery methodology.

- Facilities Hardening.
- Servers and Server Storage.
- Digital Document Management.
- Production level printing, finishing or mailing equipment and/or Software solutions.
- Pilots, proof of concepts, or product demonstrations.

5. Procedures:

[Authorized users](#) must initiate a review and follow the procedures outlined in RFD-BUS002B *IT Investment Reference Document*.

Restrictions on purchases, outlined from the U.S. Environmental Protection Agency (EPA) and the 2019 National Defense Authorization Act (NDAA), prohibit Agencies from entering into, extending or renewing a contract with a vendor that uses any equipment, system or services that uses telecommunications or video surveillance equipment or services from certain named companies.

Please reference RFD-BUS002C *IT Investment Proscribed Suppliers* for a complete listing of those proscribed companies.

Note: Please allow for a twenty (20) business day review cycle for Routine requests and ten (10) business day review cycle for Expedite requests for the Enterprise Architecture Reviewers.

6. Shopping Cart Requirement

Upon final approval of the IT Investment submission, the approval letter must be attached to the shopping cart. Shopping carts are required for all IT purchases.

7. Responsibilities

7.1 Agencies shall adhere to the requirements outlined in this ITP:

- Agency Submitters shall coordinate with the appropriate governing entities for technical reviews for IT Investments. BUS001 *IT Planning and Projects*
- Agencies shall coordinate with the appropriate IT Investment submitters to facilitate gathering information and required artifacts per DGS procurement handbook and reference RFD-BUS002B *IT Investment Reference Document* for guidance.
- Agencies shall consult with appropriate legal counsel regarding contractual agreements (i.e., software license agreements, terms and conditions, etc.).

7.2 OA/OIT shall:

- Ensure adherence with the requirements in *Executive Order 2016-06, Enterprise Information Technology Governance*.
- Coordinate with Agencies to submit IT Investment submissions and required artifacts per DGS procurement handbook and reference RFD-BUS002B *IT Investment Reference Document* for guidance.
- Provide oversight, review, and approval of IT Investments.
- Ensure alignment with Enterprise architecture and security.
- Retain investment records and artifacts in accordance with records retention schedule.

8. Related ITPs/Other References

Definitions of associated terms of this policy are published on the Office of Administration's public portal: <http://www.oa.pa.gov/Policies/Pages/Glossary.aspx>

Commonwealth policies, including Executive Orders, Management Directives, and IT Policies are published on the Office of Administration's public portal:

<http://www.oa.pa.gov/Policies/Pages/default.aspx>

- Pennsylvania eMarketplace portal: <http://www.emarketplace.state.pa.us>
- Procurement Handbook: <https://www.dgs.pa.gov/Materials-Services-Procurement/Procurement-Handbook/Pages/default.aspx>
- Bureau of Procurement Policy Directive 2021-1 *New Technology Pilot Program and Product Demonstrations*
- ITP-ACC001 *Information Technology Digital Accessibility Policy*
- ITP-BUS001 *IT Planning and Projects*
- RFD-BUS002B *IT Investment Reference Document*
- RFD-BUS002C *IT Investment Proscribed Suppliers*
- ITP-BUS004 *IT Waiver Review Process*
- ITP-SEC000 *Information Security Policy*
- ITP-SEC019 *Data Classification Policy*

9. Authority

Executive Order 2016-06, Enterprise Information Technology Governance

10. Publication Version Control

It is the [Authorized User](#)'s responsibility to ensure they have the latest version of this publication, which appears on <https://itcentral.pa.gov> for Commonwealth personnel and on the Office of Administration public portal: <http://www.oa.pa.gov/Policies/Pages/default.aspx>. Questions regarding this publication are to be directed to RA-ITCentral@pa.gov.

11. Exemption from This Policy

In the event an agency chooses to seek an exemption from the guidance within this ITP, a request for a policy waiver is to be submitted via the enterprise IT policy waiver process. Refer to [ITP-BUS004 IT Waiver Review Process](#) for guidance.

This chart contains a history of this publication's revisions. Redline documents detail the revisions and are available to CWOPA users only.

Version	Date	Purpose of Revision	Redline Link
Original	05/13/2005	Base Document	
Revision	04/23/2009	Added new contract numbers for specialty printers to the table	
Revision	05/19/2009	Added emergency procurements to table; updated Contract Extension/Advice of Change/Change Order section of table; and updated Grant Application Instructions section of table.	
Revision	07/15/2009	Added IT Procurement/Waiver Review Process flowchart	
Revision	05/12/2010	Updated to incorporate the COPPAR Tool into the process.	
Revision	09/17/2010	Updated contract number for Digital Production Equipment contract (4400004575) or the Mailroom Equipment contract (4400005332).	

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Revision	11/18/2010	ITP Refresh	
Revision	01/05/2011	Added Digital Document Management	
Revision	07/2011	Updated for OA/OIT Procurement IT Procurement delegation; ITP waiver process addressed in BUS004	
Revision	09/20/2011	Deleted: "For IT Master Contracts/Enterprise Agreements or individual work/task orders issued against those contracts/agreements OA/OIT will review and approve all procurements, regardless of dollar value." Added clarification language for sole source and emergency procurements noting that OA/IT Procurement will submit agency submitted documentation through the OA Process (COPPAR).	
Revision	12/23/2011	Added OA/OIT review for all procurements of servers and storage.	
Revision	03/20/2012	Deleted "IT Research Services Subscriptions" section.	
Revision	11/05/2014	Updated ITP format Added Background section Added Definitions section Added <i>staff augmentation contract</i> (Section 6) Added <i>Amendments</i> wording and removed Change Order / Extension wording in IT Procurement Review table (Section 7 (v)) Updated Contract Amendments Threshold statement; removed two Notes statements (Section 7 (v)) Removed OA/OIT Procurement submitting sole source requests on behalf of the agency (Section 7 (vi)) Rephrased Note in Facilities Hardening for clarification (Section 7 (ix 4)) Added link to State Contract Listing (Section 8) Updated, added URLs and POCs	
Revision	05/26/2015	In Section 6 (ii), added for software and related services in excess of and, excluding maintenance renewals after IT statewide contract In Section 6 (ii), deleted excluding the IT ITQ and the IT Staff Augmentation Contract language In Section 7 (ii), added Purchase Orders from Software Contracts, excluding maintenance renewals In Section 7 (ii), deleted (excluding ITQ & IT Staff Augmentation) In Section 7 (vii), deleted After agency submission...for expedited review	
Revision	05/31/2017	Removed Background section Added additional Definitions Changed 20-business day SLA to 10-business days Added reference to Pre-COPPAR review process Updated URLs throughout Replaced Data Powerhouse with PACS Revised definition of Emergency from "Existence of the threat" to "Existence of an event or a situation..."	

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Revision	07/22/2018	Move to Business policy domain from Procurement policy domain Changed policy from Procurement to Investment Review Updated Definitions section and moved to Policy Glossary Removed PO from Software Contracts, Emergency Procurements requirements Combined Sole Source with other methods Added new software review regardless of dollar value Added Shopping Cart requirement guidance Added reference to Policy Glossary site Revised language throughout for clarity	
Revision	07/25/2018	Added UniqueSource as second right to refusal for DDM services	
Revision	11/17/2020	<ul style="list-style-type: none"> • Removed Statewide Radio/STARNet section from policy • Updated policy to remove reference to COPPAR and added enterprise IT Investment review process 	
Revision	05/10/2021	<ul style="list-style-type: none"> • Updated Definitions section • Removed Procedures section and created RFD-BUS002B IT Investments Reference Document • Updated Policy section to identify specific examples of investments • Added Responsibilities • Updated Exemption section • Created RFD-BUS002C IT Investment Proscribed Suppliers • Updated purchases from an existing Enterprise/Statewide contract • Updated contract changes • Added contract value definition 	Redline link <05/10/2021>
Revision	05/18/2021	<ul style="list-style-type: none"> • Updated Staffing/Consulting Bullet 	Redline Link <05/18/2021>