

MANAGEMENT MEMO

SUBJECT: STATE TELECOMMUNICATIONS VISION, STRATEGY AND POLICY	NUMBER: MM-04-08
REFERENCES: Government Code Section 14931, 15275, and 15277; Public Contract Codes 12102 and 12120; State Administrative Manual Section 4530. <u>Supercedes</u> Management Memo 97-01 and Department of Information Technology Directive 1999-01.	DATE ISSUED: MARCH 4, 2004 EXPIRES: UNTIL SUPERSEDED ISSUING AGENCY: DEPARTMENT OF GENERAL SERVICES

INTRODUCTION

This memorandum updates the state's vision, strategy and policy for procuring and implementing telecommunications systems and networks. This memorandum supercedes previous information that was outlined in Management Memo (MM) 97-01 and Department of Information Technology (DOIT) Directive 1999-01. This memorandum also provides information on use of the California Integrated Information Network (CALNET) Master Services Agreement (MSA), CNT-001 and other procurement vehicles for obtaining telecommunications products and services.

The Department of General Services Telecommunications Division (DGS-TD) continues its lead role over state telecommunications strategy and policy as authorized in California Government Code [15275-15279](#). The strategy and policy outlined here is being incorporated into the State Administrative Manual (SAM) [Chapter 4500-4555](#), including removing references to the defunct DOIT. Updated operational processes are also being incorporated into the [State Telecommunications Management Manual](#) (STMM). These revisions should be completed in the near future.

The statewide CALNET communications network is currently provided and managed via the CALNET MSA. The CALNET network is a Wide Area Network (WAN) that distributes end-to-end voice, data, and video services through a consolidated backbone. It is privately owned, operated and maintained by the CALNET contractor under the oversight of the DGS/TD. Through the CALNET MSA, individual customers purchase local network access and telecommunications services, and utilize the CALNET backbone when services are required to cross LATA* boundaries (see page 5 for LATA definition).

The CALNET MSA is easy to use by both state and local government agencies because it is already **competitively bid**, and saves agencies from the RFP process. Other contract vehicles may be utilized as described herein, as resources for state and local government to appropriately manage and implement their telecommunications and data transport needs.

For purposes of this memorandum, the word **agency** refers to any state or local government agency, department, office, board, commission, district, or similar entity unless otherwise indicated.

STATE VISION

1. Owning and operating WANs are neither core competencies nor core responsibilities of the State; thus the State's telecommunications network(s) will continue to be procured from and operated by private contractor(s) under the oversight of DGS/TD.
2. The State envisions a consolidated, flexible, responsive, secure, survivable, efficient and cost-effective telecommunications infrastructure that provides seamless end-to-end interoperability for voice, data and video services, whether separately or as part of a converged service.
3. Where feasible, multiple contractors should provide increased diversity and competition that would lead to lower prices, more customer choices, and the capability to obtain and rapidly deploy new technologies.

4. State acquisition processes and requirements should allow for flexibility, and for refreshing or adding new technology through the life of the contract.

STATE TELECOMMUNICATIONS STRATEGY

Considering both **state** and eligible **local** government agencies, the state will continue to:

- 1) Develop and implement strategies and policies that will satisfy the state vision, including taking advantage of technology improvements (i.e., refreshing of technology and the convergence of voice, video and data networks and applications);
- 2) Promote more diverse and cost effective product and service choices through policy and acquisition strategies that encourage vendor competition and reduced prices for new and existing services and technologies, and pursue other factors or actions that will help meet State or customer business needs;
- 3) Obtain economies of scale through the State's leveraged buying power, require pricing strategies that benefit the State as a whole, provide for Service Level Agreements (SLAs) that are industry standard or better, and pursue other related efficiencies and protections;
- 4) Maintain the ability to substitute or discontinue ("off-ramp") contracted services that do not meet customer and/or contract requirements under prescribed circumstances.

STATE TELECOMMUNICATIONS POLICY

All California government agencies are highly encouraged to utilize the CALNET MSA because it provides ease of procurement, economic benefits, interoperability for voice and data services, the convenience of a single point of contact for provisioning and maintenance, and other benefits. In addition, MSAs are available for other telecommunications products and services such as consultant services, payphones, and cellular telephones that provide cost effective benefits and ease of procurement.

The following defines the general policy and provides clarifying information for usage of the CALNET MSA.

1) Non-Exempt and Exempt State Agencies; Local Government Agencies

Non-exempt state agencies are those under the jurisdiction of the Executive Branch of California state government. These agencies are required to utilize the CALNET MSA to obtain **mandatory** telecommunications and network services (see 2) below). **Exemptions** from using the CALNET MSA may be made as outlined in 4) below.

Exempt state agencies and departments (colleges and universities, agencies headed by constitutional officers or agencies such as the State Compensation Insurance Fund and the Lottery) are those that are not required to use the CALNET MSA to purchase **mandatory** services.

Eligible local government agencies that have signed an [Authorization To Order \(ATO\)](#) agreement to use the CALNET MSA for specific services are generally required to procure those services from the CALNET MSA for the term of the ATO agreement.

2) Mandatory and Non-Mandatory Services

Mandatory services are those services that **non-exempt** state agencies are required to purchase from the CALNET MSA, as noted in the **Attachment** at the end of this document. **Non-mandatory** services are those that are optional to purchase from the CALNET MSA by any contract user.

All **state** agencies can simply purchase **mandatory** CALNET services by completing and submitting a State Standard [Form 20](#) (STD. 20) to the contract vendors or service providers. For **non-mandatory** CALNET services purchases, all **state** agencies use the STD. 20 and follow the procurement policies and guidelines available at www.dgs.ca.gov/pd. Currently, [MM 03-10](#) requires additional procurement steps when purchasing **non-mandatory** services.

Local agencies with an ATO agreement have no **mandatory** or **non-mandatory** procurement restrictions imposed by the state except that those services listed on their specific ATO agreement are **mandatory** to purchase from the CALNET MSA. **Local** agencies are encouraged to use the STD. 20 to purchase the CALNET services listed in their ATO agreement, although use of that form is not required.

3) Non-CALNET Procurements

All procurements by state agencies must be consistent with state procurement policies, guidelines and delegations.

There may be situations in which CALNET will not meet agency business requirements. In those cases, alternative telecommunications or network services may be obtained through procurement vehicles such as **California Multiple Award Schedules (CMAS) contracts** and other **separately bid contracts, MSAs** or **procurements** under one or more of the following conditions:

- a) **Exempt** state agencies may obtain all telecommunications products and services outside of CALNET;
- b) Eligible **local** agencies may obtain products and services outside of CALNET that are not specifically included on their CALNET ATO agreement;
- c) **Non-exempt** state agencies may purchase **non-mandatory** products and services outside of CALNET;
- d) A **non-exempt** state agency may purchase specific **mandatory** services outside of CALNET if an **exemption request** is **approved** by the DGS-TD (see 4) below);
- e) A **non-exempt** state agency may submit a Feasibility Study Report (FSR) that proposes use of telecommunications and/or network services outside of CALNET that must also be reviewed by the DGS-TD and that portion **approved** in coordination with the Department of Finance (DOF) (see #4) below);
- f) A **non-exempt** state agency or a **local** government agency with a CALNET ATO agreement for specific services may obtain substitute service if the substitute service clause of the contract applies (CALNET MSA, Rider A, [Section 20](#)), and the DGS-TD determines that there is no suitable replacement service available on the CALNET MSA after consultation with affected customers, the CALNET contractor(s), and others as appropriate.

- g) **Any agency** may replace a specific service that the DGS-TD determines must be discontinued (“**off-ramped**”) consistent with the CALNET MSA, after consultation with affected customers, the CALNET contractor(s), and others as appropriate.

Contracts held by **non-exempt** state agencies for telecommunications services that are available from the CALNET contract, should be terminated as soon as contractually feasible, and those services migrated to the CALNET contract. Extension or renewal of these contracts is on an exception basis only, and must have an **exemption** approval by the DGS-TD (and/or as applicable, DOF) prior to taking action to extend or re-bid.

Be aware that using CMAS or other contracts for telecommunications services may not provide comparable protections available through CALNET, such as Service Level Agreements (SLAs); rights and remedies for vendor defaults; or comprehensive system installations. See www.calnetinfo.com for a copy of the CALNET contract language and requirements, including information on SLAs ([Rider B, Service Level Agreements](#)).

4) Delegations and Exemptions

Delegations and **exemptions** apply only to **non-exempt** state agencies. **Delegation** and **exemption** requests must apply to a specific telecommunications project or acquisition, provide pertinent and specific information on the proposed services and why they are needed, and the ramifications if the need is not met. For **exemption requests**, an explanation of why services from the CALNET MSA would not meet the designated need is required.

Delegations

A **non-exempt** state agency must submit **delegation requests** in writing for **approval** by the DGS-TD for project delegation or to purchase specific equipment per STMM Chapter [0.400](#).

Exemptions

Non-exempt state agencies with a compelling business reason to use alternative providers to purchase **mandatory** CALNET service offerings must prepare and submit a written **exemption** request to the DGS-TD for evaluation and approval prior to purchasing services elsewhere. Submit the **exemption** request and a copy of the proposed FSR (if any) to the DGS-TD prior to or at the same time as submitting the FSR to the DOF.

The DGS-TD will evaluate the **exemption** request and FSR (if any), and determine whether approval for an **exemption** from CALNET should be granted based on the information provided, additional information as requested, and research as needed, under the following circumstances:

- a) CALNET services are unsuitable to meet the agency’s business needs due to significant lack of features, functionality, availability, or service levels; or
- b) The **costs of an alternative product or service provider are substantially below** (approximately 20%) the costs of similar products or services available under the CALNET contract including comparable service level agreements (SLAs), network support, diversity, survivability, recoverability, scalability and other related factors; **and**, a contract with alternative product or service providers **will not unduly interfere** with the state’s goal of maintaining a consolidated telecommunications network.

REFERENCES

For more information on state telecommunications law and policy, see www.dgs.ca.gov/td - click on [Law and Policy Quick Links](#). These links include [Government Code 15275-15279](#), the SAM [Chapter 4500](#); the [STMM](#), and the [ATO Policy](#) for use of CALNET by local government agencies. [Agency Telecommunications Representative](#) (ATR) Bulletins are regularly issued to ATRs to provide telecommunications updates, and are available at the above website.

The <http://www.calnetinfo.com/> website includes a copy of the CALNET MSA, contract rates/pricing and service descriptions in Riders B and C, and copies of contract amendments.

For more information on state procurement rules, see the DGS Procurement Division website at www.dgs.ca.gov/pd (Click on [CMAS](#); [MM 03-10](#), and other listed information).

For FSR requirements and related information, see the Department of Finance website at www.dof.ca.gov. Click on "Information for Government Agencies" in the left side navigation bar. See [Statewide Information Technology](#), and the [State Information Management Manual](#) (SIMM).

***LATA – (Local Access and Transport Area) LATAs are geographical areas within which a local telephone company may offer telecommunications services. California has 11 LATAs statewide.**

CONTACT FOR INFORMATION

For more telecommunications or CALNET related information, please contact the DGS-TD Office of Network Services (ONS) at the numbers below, and request to speak to a Customer Account Manager. Also, refer to the ONS homepage at www.dgs.ca.gov/td (click on Network Services). The links to information contained in this document are all available through this site.

Mailing Address, Telephone and Fax:

Department of General Services
Telecommunications Division G-23
Office of Network Services
601 Sequoia Pacific Blvd.
Sacramento, CA 95814

Telephone: 916-657-9903 or 1-800-807-6755
FAX: 916-657-9511 or 916-657-9129

Original Management Memo signed by Ron Joseph, Interim Director

Ron Joseph, Interim Director
Department of General Services

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Attachment

CALNET MSA – Mandatory Services

The services shown within the listed categories 1-4 are not all inclusive of every service that could fall within each of the four categories below. Services that fall within the four categories are mandatory unless specifically excluded by contract or amendment language. Evolving and new technologies and services will be added to the list as determined by the DGS-TD in coordination with others as appropriate.

1. VOICE NETWORK SERVICES

Local Usage	International Toll Free
Long Distance	900 Service
Lon Distance Access	Operator Services
Advanced Intelligent Network (AIN)	Calling Card
Toll Free	Prepaid Calling Card
Enhanced Toll Free	Centrex Audio Conferencing
800 Enhanced Call Routing (ECR)	Audio Conferencing

2. LINE SIDE SERVICES

Business Access Line (1MB)	Custom Local Signaling Services (CLASS)
Centrex	Interactive Voice Response (IVR) and Call Router
Integrated Services Digital Network (ISDN)	Automated Attendant/Call Routing
Account Codes	Automated Call Director (ACD)
Private Branch Exchange (PBX) Trunks	ACD/Management Information System (MIS)
Super Trunk Service	Computer Interface (CompuCall) Service
Voice Mail	Intelligent Call Routing
Announcement/Music in queue	

3. DATA SERVICES

Dedicated Transport	Frame Relay Service and Asynchronous Transfer Mode (ATM) Data Services
Extended Dedicated Services	InterLATA Frame Relay and ATM
SONET (Synchronous Optical Network)	Extended Frame Relay
Ring and Access Services	Managed Frame Relay
ISDN	Managed Extended Frame Relay
Switched 56	Extended ATM
Switched T1/T3	Gigabit Metropolitan Area Network (GigaMAN)

4. ADDITIONAL SERVICES

Billing/Invoicing Services