

SAM – REVISION SUMMARY 433

Revisions to SAM sections are provided after the summary table below, and are indicated with the “track changes” display through the revised text on all revised SAM pages. Highlighted content indicates newly added information to the SAM chapter. “Track Changes” are not inserted for format changes.

**** Follow the link to the revised SAM Chapter ****

CHAPTER/ SECTION	SUMMARY
<u>CHAPTER 1</u>	
Section 0020	Added Author Checklist to Step 3 of the SAM revision package
<u>CHAPTER 3600</u>	
Section 3620	Moved to SAM section 4127
<u>CHAPTER 4100</u>	
Sections 4100, 4117, 4117.2	Revisions to car rental use, terminology and the removal of former garage locations. Also complies with the Department of Human Resources (CalHR) <u>PML 2015-039</u> and address how reservations for Short-Term Rental services are exceptions to <u>MM 14-03</u> .
Sections 4120 thru 4127	New and consolidated information from SAM section 3620 regarding fleet vehicles.
<u>CHAPTER 4800</u>	
Sections 4810, 4819.2, 4819.42	Per TL 16-02, this policy was updated to reflect language consistent with the Project Approval Lifecycle.
Sections 4819.3, 4819.31, 4819.40, 4920	Per TL 16-02, this policy was updated to reflect current titles of Project Approval Lifecycle Stages 3 Solution Development and Stage 4 Project Readiness and Approval.
Section 4819.34, 4819.35, 4819.41	Per TL 16-02, this policy was updated to consistently reference Project Approval Lifecycle, and the integration of the IT procurement process into Stage 3 Solution Development.
Section 4819.35	Per TL 16-02, this policy was updated to add language consistent with Project Approval Lifecycle Stage 3 Solution Development
Section 4819.41	Per TL 16-02, this policy was updated to remove duplicative language found in SAM Section 4819.31. SAM Section renamed to “Procurement Certification”.

SAM – REVISION SUMMARY 433

Section 4832	Per TL 16-02, this policy was updated to replace any reference to “Feasibility Study Report” with language consistent with the Project Approval Lifecycle.
Section 4851, 4854	Minor edits to agency names.
<u>CHAPTER 4900</u>	
Section 4927	Per TL 16-02, this policy was updated to include processes related to Stage 3 Solution Development.
Section 4928	Per TL 16-02, this policy was updated to include a comprehensive description of the Project Approval Lifecycle, Stage 3 Solution Development.
Section 4982	Per TL 16-02, this policy was updated to specify that the Data Center resides within the Office of Technology Services.
Section 4983, 4983.1	Per TL 16-02, this policy updates the state’s cloud computing policy.
<u>CHAPTER 5200</u>	
Section 5200.5, 5230.5	Per TL 16-02, this policy was updated to expand the description of the Department of Technology’s authority to include acquisition of reportable IT projects. The responsibilities of the Department of General Services and Department of Finance were also clarified as to reflect updated authority as a result of reorganizations
Section 5211	Per TL 16-02, this policy was updated to include clarification regarding the Information Technology Project Oversight Division’s (ITPOD) role in procurement review.
Section 5230.1	Per TL 16-02, the following changes were made: <ul style="list-style-type: none"> • Added requirements related to IT General Provisions (GSPD) 401-IT) and Cloud Computing Special Provisions. • Added language consistent with Stage 3 Solution Development. • Added reference to SIMM 19C.

SAM – REVISION SUMMARY 433

Section 5230.2	Per TL 16-02, this policy was updated to add reference to SIMM 19C.
Section 5230.3	Per TL 16-02, this policy was updated to reflect current oversight responsibilities by replacing reference to “DOF” with Department of Technology.
Section 5230.5	Per TL 16-02, this policy was updated to align with new requirements terminology and replace “necessary” with “mandatory”.
Section 5291	Per TL 16-02, this policy was updated to add references to IT Master Agreement (ITMSA) and Cooperative Agreements.
<u>CHAPTER 8700</u>	
Section 8740	Revised to update the state employees billing rates for 2016.

REVISING SAM

0020

(Revised 10/201644)

Responsibility for Revising SAM

Responsibility for updating SAM content is assigned to authoring state departments. The SAM Section 0030 lists authoring departments for each SAM chapter/section and provides contact information that can direct SAM Users to authors to assist with content clarification/guidance. The departmental director or his/her designee is responsible for certifying that any revisions to their SAM sections are legal and consistent with overall state policies.

The Department of General Services (DGS) expects SAM authors to review and/or revise their respective chapters/section(s) every three (3) years. **The SAM should be immediately updated or revised when content is outdated, or procedures, guidelines, laws or code changes dictate change.**

Making Revision Recommendations to the SAM

Anyone can recommend revisions to SAM. To recommend SAM revisions, contact the author's office listed in SAM Section 0030 or contact the SAM Unit. When the author determines that SAM revisions are necessary, the SAM Unit can provide process information and timetables. The author may designate an author contact to write and coordinate revisions through the SAM Unit.

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Completing Revisions/Reviews to SAM

When it has been determined that revisions or reviews to the SAM are necessary, the following steps should be taken by the SAM Author and Coordinator to complete revisions/reviews:

	<u>Step</u>	<u>Action(s) Taken</u>
SAM Author	1	Receives working Word Version for SAM Chapter/Section(s) to be revised/reviewed from SAM Coordinator.
	2	Reviews SAM Chapter/Section(s) <ul style="list-style-type: none"> • <i>If it is determined that content is current and still in practice, go to 2a</i>
	2a	Gives authorization (via email) to SAM Coordinator to change reviewed date to current date. No further action required.
	3	Revises SAM Chapter/Section(s) and completes the Revision Package sent from the SAM Coordinator (via email). <ul style="list-style-type: none"> • Revision Package consists of the following: <ul style="list-style-type: none"> ○ <i>Author Revisions</i> ○ <u>Revision Summary</u> ○ <u>Author Checklist</u>
	4	Submits the Completed Revision Package to SAM Coordinator via email.
SAM Coordinator	5	Receives Completed Revision Package and incorporates the Author Revisions into the Author Revision-Website Version.
	6	Cross-references revised SAM material with Management Memorandums (MMs), Budget Letters (BLs), Technology Letters (TLs), and other mentioned agencies, departments, and sections to ensure accuracy and validity.
	7	Sends Author-Draft Revision-Website Version back to SAM Author for Final Author Review

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SAM Author	8	Reviews Author-Draft Revision-Website Version and verifies all cross-referenced content and other mentioned agencies/departments are accurate and valid. <ul style="list-style-type: none"> • <i>If Final Author Revision-Website Version is not correct, go to step 3</i>
	9	Send email approval back to SAM Coordinator.
SAM Coordinator	10	Submits Final Revision Package to DGS Director or his/her designee for final approval.
	11	Receives final approval. Updates and posts all revised SAM Chapters/sections as well as their corresponding PRINT and NOTEBOOK versions.
	12	Posts all approved Final Author Revisions and Summary to the SAM Website within two (2) business days of receipt <ul style="list-style-type: none"> • <i>SAM Coordinator will communicate with the SAM Author if unexpected delays occur.</i>
	13	Issues email notification to the SAM Subscribers of a new SAM Revision and Summary posted to the SAM Website at the beginning of each fiscal quarter. SAM Revision Summary History and Schedule for Quarterly Notification of Changes can be accessed via the SAM Website.

Notation for Changes in Revision Packages

Vertical bars on pages indicate additions or overall changes. Revised pages in chapter rewrites do not contain bars. Section and subsection titles in the text are followed by information indicating whether the section is new, revised, or renumbered.

SAM-PURCHASES (Cont.d)

ACQUISITION OF VEHICLES
(Revised 02/2016)

3620

This information is now found under SAM section [4120](#).

SAM—TRANSPORTATION SERVICES

CHAPTER 4100 INDEX

This chapter discusses the operational policies of all aspects of transportation services. This includes state-owned or operated mobile equipment, commercial vehicle rentals, airline transportation, parking and commuter services.

INTRODUCTION AND GARAGE OPERATIONS	4100
MAINTENANCE	4101
NO SMOKING IN STATE VEHICLES	4102
MODIFICATIONS	4103
IDENTIFICATION	4104
UTILIZATION	4105
PASSENGER MOBILE EQUIPMENT USAGE REPORT	4106
TRAVEL LOGS	4107
FUEL CARD MANAGEMENT	4108
GENERAL SERVICES CHARGE CARD	4108.1
HOME STORAGE	4109
MOBILE EQUIPMENT PURCHASES	4110
DISPOSITION	4111
REUTILIZATION OR TRANSFER	4112
INSPECTION SERVICES	4113
ANNUAL INVENTORY OF MOBILE EQUIPMENT	4114
REPAIRS AT COMMERCIAL/STATE FACILITIES	4115
ACCIDENT REPAIRS	4116
STATEWIDE TRAVEL MANAGEMENT PROGRAMS<u>PROGRAM</u>	4117
AIRLINES	4117.1
CAR RENTALS	4117.2
TRAVEL AGENCIES	4117.3
TRAVEL PAYMENT SYSTEM	4117.4
PARKING AND COMMUTE SERVICES	4118

SAM—TRANSPORTATION SERVICES

(Continued)

CHAPTER 4100 INDEX (Cont. 1)

<u>ACQUISITION OF VEHICLES</u>	<u>4120</u>
<u>FLEET ASSET REPORTING</u>	<u>4120.1</u>
<u>PURCHASE ORDER STD. 65 & PURCHASE ESTIMATE STD. 66, 66A</u>	<u>4120.2</u>
<u>FLEET ASSET APPROVAL EXPIRATION</u>	<u>4120.3</u>
<u>ADDENDUMS</u>	<u>4120.4</u>
<u>LEASES/RENTALS</u>	<u>4120.5</u>
<u>TEMPORARY LEASES OF PASSENGER VEHICLES</u>	<u>4120.6</u>
<u>SUBSTITUTIONS</u>	<u>4120.7</u>
<u>EXECUTIVE ORDER B-16-12 ZERO EMISSION PURCHASING MANDATE</u>	<u>4121</u>
<u>DONATIONS AND GIFT OF FLEET ASSETS</u>	<u>4123</u>
<u>VEHICLE INSPECTIONS</u>	<u>4124</u>
<u>REPLACEMENT SCHEDULE CRITERIA</u>	<u>4126</u>
<u>KEY DUE DATES AND TIMEFRAMES</u>	<u>4127</u>

SAM—TRANSPORTATION SERVICES

~~INTRODUCTION AND GARAGE OPERATIONS~~

4100

(Revised ~~12/06~~01/2016)

The Department of General Services—~~(DGS)~~, Office of Fleet Administration ~~(OFA)~~Management (OFAM) is responsible for ~~the—establishment, implementation~~establishing, implementing, and ~~maintenance of~~maintaining policies and procedures governing state-owned mobile equipment. Mobile equipment is defined as equipment that is self-powered, easily moved and used for passenger, and equipment transportation and construction or maintenance work.

~~Programs within the OFA include: Garage Operations, Inspection Services, Statewide Travel Management, and Employee Parking/Commute Management.~~

~~Services provided include daily and long-term vehicle rentals and vehicle maintenance, vehicle repairs in all state garage locations, fuel card management, delivery and survey inspections, public auctions in Los Angeles and Sacramento, vehicle purchase reviews, public parking, commute management, travel payment system, contract airfares, lodging rates and guide, travel agencies, and contract car rental rates.~~

~~Garage Operations~~

~~State employees are to first utilize the services of the OFA when leasing mobile equipment on a daily or long-term basis. Mobile equipment; i.e., sedans, station wagons, and pickup trucks, can be leased from the OFA in Fresno, Los Angeles, Oakland, Sacramento, and San Diego. See OFA State Fleet Handbook.~~

~~Specially equipped vehicles for persons with disabilities are available on a daily or long-term basis at the Los Angeles and Sacramento state garages. In the event the OFA is unable to provide this service, persons with disabilities may utilize the services of one or more of the contracted commercial car rental companies. Questions regarding specially equipped vehicles should be directed to the Los Angeles and Sacramento state garages.~~

SAM—TRANSPORTATION SERVICES

MAINTENANCE 4101

(Renumbered from 4150 and Revised 6/96)

It is the responsibility of agencies/departments to insure compliance with minimum preventive maintenance standards for state-owned mobile equipment. This includes, but is not limited to, prescribed lubrication service and mechanical inspection on a mileage or time basis. Requirements are listed in the Automobile Maintenance Record form, ~~STD. 271.~~[STD. 271.](#) Equivalent records may be substituted with the approval of the OFA. See [OFA State Fleet Handbook](#).

NO SMOKING IN STATE VEHICLES 4102

(New 6/96)

Smoking is prohibited in all state-owned passenger mobile equipment which include light and heavy duty trucks, cargo and passenger vans, buses, and any other mobile equipment with an enclosed driver/passenger compartment. See California Vehicle Code Section [465](#) and Government Code Section [19994.30](#).

MODIFICATIONS 4103

(Renumbered from 4160 and Revised 6/96)

Any modification to original factory equipped mobile equipment requires prior approval from the OFA. See [OFA State Fleet Handbook](#).

IDENTIFICATION 4104

(Renumbered from 4120 and Revised 6/96)

State-owned mobile equipment used on public roads shall be properly identified. The Director of DGS shall approve the type of identification used.

Exceptions are state-owned mobile equipment used by elected officials with regular automobile license plates; mobile equipment designated as exempt by the Director of DGS; and undercover vehicles as authorized in the California Vehicle Code. See Vehicle Code Section [5001](#) and [OFA State Fleet Handbook](#).

UTILIZATION 4105

(Renumbered from 4130 and Revised 6/96)

It is the responsibility of Agency Secretaries and/or department directors to insure the proper use of state-owned mobile equipment. See Government Code Section [19993.2](#) and Department of Personnel Administration (DPA) Section 599.800.

SAM—TRANSPORTATION SERVICES

PASSENGER MOBILE EQUIPMENT USAGE REPORT 4106 (Renumbered from 4131 and Revised 06/96)

In order to insure optimum utilization of state-owned passenger mobile equipment (see Vehicle Code Section [465](#)), a Passenger Vehicle Usage Certification form, ~~STD. 276~~[STD. 276A](#), will be submitted to the OFA bi-annually, February 15 and August 15. See [OFA State Fleet Handbook](#).

TRAVEL LOGS 4107 (Renumbered from 4143 and Revised 6/96)

Agencies/departments will maintain a Monthly Travel Log form, ~~STD. 273~~[STD. 273](#), on all state-owned passenger mobile equipment except for motorcycles, trucks over 3/4 ton, and heavy equipment. See DPA Section 599.807 and [OFA State Fleet Handbook](#).

FUEL CARD MANAGEMENT 4108 (Renumbered from 4151 and Revised 6/96)

It is the responsibility of agencies/departments to review gasoline credit card charges and monthly billing statements in order to reduce unnecessary and improper charges. Agencies/departments shall pursue recovery of unauthorized charges.

GENERAL SERVICES CHARGE CARD 4108.1 (New 10/06)

It is the responsibility of agencies/departments to execute proper management and oversight of General Services Charge Cards under their jurisdiction and shall:

- Report the loss, theft or discontinuance of all General Services Charge Cards, in writing, to the [OFA](#).
- Establish and implement internal procedures to ensure accountability of charge cards.
- Present the General Services Charge Card and obtain a receipt from commercial car rentals and taxi services.
- Provide oversight and guidelines to ensure cards are properly safeguarded, assigned, and used for official state business only.
- Establish and implement procedures that provide for the performance of periodic inventory and reconciliation activities with reporting to OFA.

SAM—TRANSPORTATION SERVICES

HOME STORAGE

4109

(Renumbered from 4144 and Revised 6/96)

Storage of state-owned mobile equipment at an employee's residence on a regular basis requires an approved Vehicle Home Storage Request/Permit form, ~~STD. 377~~[STD. 377](#), be on file with the employee's department. Annual renewal of STD. 377 is required. See DPA Section 599.808 and OFA State Fleet Handbook.

SAM—TRANSPORTATION SERVICES

MOBILE EQUIPMENT PURCHASES

4110

(Renumbered from 4111 and Revised 6/96)

A Purchase Order form, ~~STD. 65, or Purchase Estimate form, STD. 66~~[STD. 65, or Purchase Estimate form, STD. 66](#), will be submitted directly to OFA for the purchase of additional or replacement mobile equipment. A justification for additional mobile equipment or an approved Property Survey Report form, ~~STD. 152~~[STD. 152](#), for replacement mobile equipment will be attached to the purchase document.

A current Passenger Vehicle Usage Certification form, ~~STD 276~~[STD 276A](#), must be on file with OFA prior to the approval of STD. 65 or STD. 66. See SAM Section 4106, Government Code Section [13332.09](#), and [OFA State Fleet Handbook](#).

DISPOSITION

4111

(Renumbered from 4172 and Revised 6/96)

Disposal of mobile equipment shall be by public auction or sealed bid. The method of disposal is subject to approval by OFA. See Government Code Section [13332.09](#) and [OFA State Fleet Handbook](#).

REUTILIZATION OR TRANSFER

4112

(Renumbered from 4173 and Revised 6/96)

Mobile equipment no longer needed by an agency/department shall be made available to other state agencies/departments or government entities. Requests for reutilization or transfer of state-owned mobile equipment shall be submitted to OFA. See [OFA State Fleet Handbook](#).

SAM—TRANSPORTATION SERVICES

INSPECTION SERVICES

4113

(Renumbered from 4181 and Revised 6/96)

Inspection services are provided to agencies/departments participating in the Inspection Services Program. Services are provided upon request or can be initiated by OFA. Services include new and used mobile equipment inspection and assistance with the purchase, repair, replacement, and disposition of state-owned mobile equipment. See [OFA State Fleet Handbook](#).

ANNUAL INVENTORY OF MOBILE EQUIPMENT

4114

(Renumbered from 4102 and Revised 6/96)

The Annual Inventory of Mobile Equipment form, OFA 53, is required for the self-insurance and Inspection Services Program cost allocation. Agencies/departments will submit OFA 53 to OFA by July 10. See [OFA State Fleet Handbook](#).

SAM—TRANSPORTATION SERVICES

REPAIRS AT COMMERCIAL/STATE FACILITIES

4115

(Renumbered from 4161, 4162 and 4166, and Revised 6/96)

Repairs to state-owned mobile equipment, including replacement of auto glass, at a commercial/state facility exceeding the delegated amount require prior approval from an OFA Inspector of Automotive Equipment (IAE). See OFA [State Fleet Handbook](#) and Vehicle Glass Replacement Price Schedule.

ACCIDENT REPAIRS

4116

(Renumbered from 4163 and New 6/96)

Agencies/departments are to obtain a minimum of three (3) bid estimates for accident repairs to all state-owned mobile equipment exceeding the delegated amount. Review and approval of the bid estimates by an OFA IAE are required. See SAM Section [3600](#) and [OFA State Fleet Handbook](#).

SAM—TRANSPORTATION SERVICES

STATEWIDE TRAVEL ~~MANAGEMENT PROGRAMS~~ PROGRAM

4117

(~~Renumbered from 4186-4186.05~~ Revised 01/2016)

The Statewide Travel Program (STP) administers the travel contracts for airfare, commercial car rentals, travel management services (travel agency), and ~~New 6/96~~ the travel payment system.

State

Agencies/departments must make all travel arrangements (airfare, hotel, commercial car rental and rail), with the exception of short-term rentals (defined below), through the STP. Comprehensive travel services are offered via the state's authorized online self-booking tool which is the primary means for booking travel, and/or call-in service through the state's contracted travel agency.

Short-term Rentals

Per Government Code section 19822.4 (Chapter 770, Statutes of 2015 [AB 229]), state employees may utilize lodging reserved through a short-term rental service (such as Airbnb), in lieu of the STP, when traveling on official state business. Short-term rentals are defined in AB 229 as "residential property that is rented to a visitor for fewer than 30 days through a centralized online platform whereby the rental is advertised and payments for the rental are securely processed." Reservations for short-term rentals may be made through the service's proprietary centralized online platform (such as airbnb.com).

When determining the mode of transportation, travelers shall ~~travel by using~~ use the most economical means of transportation; i.e., taxi, rail, bus, ~~or air whenever possible rather than using a~~, state, commercial or privately-owned vehicle.

SAM—TRANSPORTATION SERVICES

[The Statewide Travel Program website may be accessed at www.dgs.ca.gov/travel.](http://www.dgs.ca.gov/travel) For reference, see DGS Management Memo #14-03.

AIRLINES

4117.1

(New 6/96)

State employees are required to obtain service from the contract airline(s) when traveling between specific city-pairs. Exceptions are: (1) space or a scheduled flight is not available to accomplish the purpose of the travel, or available service would require overnight lodging; or (2) a non-contract carrier offers a lower fare available to the general public, the use of which will result in a lower total trip cost to the state. (THIS EXCEPTION DOES NOT APPLY IF THE CONTRACT CARRIER OFFERS A COMPARABLE FARE AND HAS SEATS AVAILABLE AT THAT FARE, OR IF THE LOWER FARE OFFERED BY A NON-CONTRACT CARRIER IS RESTRICTED TO STATE TRAVELERS ON OFFICIAL GOVERNMENT BUSINESS ONLY.)

SAM—TRANSPORTATION SERVICES

CAR RENTALS

4117.2

(New 6/96 Revised 01/2016)

~~Agencies/departments are to utilize the services~~

The Department of any one General Services (DGS), Office of the contracted rental companies. Agencies/departments shall review operational needs Fleet and advise their Asset Management (OFAM) operates a daily car rental service out of the Sacramento State Fleet Garage, located at 1416 10th Street, Sacramento, CA. OFAM has also established and manages a commercial car rental contract with a nationwide car rental provider.

State employees in need of short-term vehicle transportation may use either the OFAM daily vehicle rental services or the selection of the state's contracted commercial car rental company (ies) when conducting official state business. State employees may use either of these services; however, as instructed in SAM Section 4117, state employees shall choose the service which is most economical and meets their operational needs.

As outlined in Management Memo 13-01, vehicles rented or leased for over 30 consecutive calendar days or more than (4) consecutive work weeks (excluding weekends and holidays) are required to be approved through a department's Fleet Acquisition Plan (FAP) prior to use. See SAM Section 4100 renting or leasing the vehicle. Continually re-renting fleet assets week to week or with a short break after 30 days without seeking OFAM approval is prohibited.

Vehicles equipped for persons with disabilities are available at both the Sacramento State Fleet Garage or from the contracted commercial car rental company.

TRAVEL AGENCIES

4117.3

(New 6/96)

Agencies/departments may select any travel agency (ies) that meet their travel needs from a list of authorized travel agencies. Each state agency/department shall determine its own appropriate system for managing airline ticket purchases and communicate this system to its employees and the authorized travel agency (ies).

TRAVEL PAYMENT SYSTEM

4117.4

(Revised 9/09)

The OFA administers the contract to provide the state's travel payment system and management reports. It is the responsibility of each state agency/department to determine its own appropriate system for managing travel.

Questions regarding current contracts and/or Statewide Travel Program may be directed to OFA, Travel Program Coordinators at (916) 376-3988. Also visit the Statewide Travel Program "Travel Portal" website at <http://www.dgs.ca.gov/travel/Home.aspx>

PARKING AND COMMUTE SERVICES

4118

(Renumbered from 4188–4188.06 and Revised 6/96)

The OFA maintains parking facilities, provides parking in major urban areas to state employees and the public, and provides commute service information to state employees in coordination with the Department of Transportation. See Government Code Sections [14678–14679.5](#), and [19993.1](#) and [OFA State Fleet Handbook](#).

ACQUISITION OF VEHICLES

4120

(New 2/2016)

Overview

Purchase of State vehicles will be made by consolidation of agency annual requirements in order to affect savings by volume buying. See Government Code Section 14615 and Public Contract Code Section 10308. In addition, Government Code Section 13332.09 provides that:

"No purchase order or other form of documentation for acquisition or replacement of motor vehicles shall be issued against any appropriation until the Department of General Services has investigated and established the necessity therefor. No surplus mobile equipment may be acquired from any source by any State agency for program support until the Department of General Services has investigated and established the need therefor."

The Department of General Service, Office of Fleet and Asset Management (OFAM) are eliminating the use of the Vehicle Acquisition Request Form (OFA 160); state departments will no longer submit individual fleet acquisition request to OFAM. This policy applies to all emergency and non-emergency vehicles and mobile equipment, henceforth referred to as fleet assets.

Beginning in Fiscal Year (FY) 2012-13, state departments are required to submit an electronic *Fleet Acquisition Plan (FAP)* to OFAM each fiscal year for all new and/or all existing asset replacement needs that have not been previously approved by OFAM. The plan should include any long-term rentals or leases of fleet assets. The FAP contains the documents listed below which must all be included to be considered a complete (FAP). An electronic copy of the FAP documents below can be found at the DGS website located at http://www.dgs.ca.gov/ofam/Programs/FARS/Vehicle_Acq.aspx:

1. Fleet Acquisition Plan Narrative
2. Fleet Acquisition Plan Spreadsheet
3. Fleet Acquisition Certification
4. Other Supporting Documents, as applicable
5. Fire Truck Questionnaire (Addendum A), as applicable

Fleet Acquisition Plan Narrative

OFAM has created a written narrative format that must be followed. It outlines vital areas that are necessary in order to ensure that the planned acquisitions comply with existing policy and other requirements.

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ACQUISITION OF VEHICLES

4120 (Cont. 1)

(New 2/2016)

Fleet Acquisition Plan Spreadsheet

The Excel spreadsheet created by OFAM includes the line item detail of each planned new or replacement asset including justification for the need to add or replace an asset. Fleet replacement requests will be analyzed by applying utilization metrics to vehicle utilization data retrieved from the Fleet Asset Management System.

Fleet Acquisition Certification

This certification is required by Public Contract Code Section 10295.2(a) and Executive Order (EO) B-2-11. The certification must be signed by department Director (no designee signature will be accepted) and, where applicable, Agency Secretary or authorized designee. The certification shall include the date, title and signature of the person(s) authorizing the acquisition. The Director of DGS must approve all such purchases, subject to review by the Secretary of Government Operations Agency.

Other Supporting Documents

Departments should include with their request other documentation if it helps justify the acquisition. For example, if additional fleet assets are being requested that increase the size of the department's fleet baseline, supporting documentation must be provided to substantiate the request for additional fleet assets. Such documentation may include, but is not limited to, a copy of an authorized budget change proposal, a Governor's budget line item, or other documentation supporting an increase in staffing or workload corresponding with the need for additional fleet assets.

Fire Truck Questionnaire (as applicable)

This questionnaire requests additional supporting information and is required for the purchase of fire engines.

Due Dates:

Electronic copies of the FAP and all required applicable documents must be submitted to OFAM (email to FARSInfo@dgs.ca.gov) on or after the first day of the fiscal year (July 1st) for which the FAP is being submitted and no later than:

- First business day of February for one-time-buy acquisitions (*Purchase Estimate Form STD. 66 and STD. 66A*);
- First business day of April for master vehicle contract acquisitions, donations, and long-term rental/lease acquisitions.

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ACQUISITION OF VEHICLES

4120 (Cont. 2)

(New 2/2016)

Addendums to FAPs due to extraordinary circumstances (see *Addendum to Fleet Acquisition Plan* section below) will be accepted if the addendum is submitted to OFAM at least 45 working days prior to the end of a fiscal year and the applicable manufacturer's cut-off dates.

Please note: All purchase estimates must be approved (stamped) by OFAM and submitted to DGS Procurement Division prior to **April 1st**. It is highly recommended that departments that intend to purchase assets with a *Purchase Estimate Form* (STD. 66 and STD. 66A) submit a FAP early in the fiscal year (prior to the February 1st deadline) to help ensure that DGS Procurement Division will be able to process requests in the same fiscal year. For a complete list of relevant fleet acquisition due dates, please see SAM Section 4127, *Key Due Dates and Timeframes*.

FLEET ASSET REPORTING

4120.1

(New 2/2016)

State departments are required to comply with fleet reporting requirements pursuant to Public Resource Code Section 25722.5. Executive Order B-2-11 requires state departments to update their fleet asset information on a monthly basis, including fuel and utilization data. The fleet data is necessary for OFAM to complete and submit various reports mandated by the legislature and the federal government. Additionally, OFAM uses the fleet data entered into FAMS to conduct analysis on fleet asset requests. Consequently, beginning with FAPs submitted in FY 2015/16 and thereafter, OFAM will not process a department's FAP if the department is not in compliance with required reporting for fleet asset with odometers. Please note reporting requirements apply to all fleet assets both with and without odometers. (An electronic copy of the *list of Required Fields for Vehicles and Equipment required to be entered into FAMS* can be found at the DGS website located at <http://www.dgs.ca.gov/ofam/Programs/FARS/Vehicle Acq.aspx>.)

**PURCHASE ORDER STD. 65, 65A AND
PURCHASE ESTIMATE STD. 66, 66A**

4120.2

(New 2/2016)

Upon approval by OFAM of a department's FAP, the department may begin the purchasing process to acquire one or more of their approved fleet assets by submitting the appropriate purchasing documentation to OFAM. A department shall submit the *Purchasing Authority Purchase Order Form* (STD. 65 and STD. 65A) and *Purchase Estimate Form* (STD. 66 and STD. 66A) as applicable with a copy of the STD. 152 and *Equipment Inspection Form* (OFA 6), if applicable, to OFAM for the final "stamp of approval."

FLEET ASSET APPROVAL EXPIRATION

4120.3

(New 2/2016)

The FAP, including any approved addendums, is valid for the fiscal year in which the plan was approved plus one additional fiscal year. Approved assets on a FAP requiring a STD. 66 and STD. 66A shall remain in effect for the fiscal year in which the plan was approved plus two additional years. Upon the expiration of an approved FAP for which approved assets were not purchased, departments are required to re-justify the need to acquire these asset(s) through submission of a new FAP and required documents.

ADDENDUMS

4120.4

(New 2/2016)

OFAM will accept addendums to an approved FAP from a department should fleet needs change during the course of the fiscal year due to extraordinary circumstances for which the department demonstrates an immediate need for the fleet assets. An example of an extraordinary circumstance would be an unexpected loss of a piece of equipment resulting in a need to purchase replacement equipment or to lease/rent equipment for more than 30 days. An addendum to a FAP must include all documents listed above, as applicable, and comply with fleet data reporting requirements in order to be processed.

LEASES/RENTALS

4120.5

(New 2/2016)

Vehicles rented or leased for over 30 consecutive calendar days or more than (4) consecutive work weeks (excluding weekends and holidays) are required to be approved through a department's FAP prior to renting or leasing the vehicle. Continually re-renting fleet assets week to week or with a short break after 30 days without seeking OFAM approval is prohibited.

TEMPORARY LEASES OF PASSENGER VEHICLES

4120.6

(New 2/2016)

If a department incurs significant damage to or loss of an owned passenger vehicle, DGS may provide a temporary DGS vehicle under specific circumstances. These circumstances occur when the deadline to submit an acquisition request has passed and/or there are no state contracts for that vehicle type needed in effect. In these circumstances, the department can request approval from OFAM to temporarily lease a passenger vehicle until a new FAP can be submitted and the replacement vehicle is received. These temporary requests shall be in writing but do not require a department to submit or amend an existing FAP or provide the supporting documents. These requests will be considered by OFAM on a case-by-case basis and are subject to the availability of vehicles. A department will be required to include this leased DGS vehicle on its next FAP if this vehicle needs to be replaced. If a department should need to lease/rent a vehicle for less than 30 days, a department may use the state's commercial rental contract without OFAM approval.

SUBSTITUTIONS

4120.7

(New 2/2016)

In an effort to streamline the process, OFAM is establishing a substitution process to address a demonstrated, immediate business need to substitute an approved replacement asset and/or approved asset purchase. The substitution process shall only be used in limited circumstances. The substitution process shall not be used to circumvent the Fleet Acquisition Plan Addendum process.

In specific circumstances, a substitution for an approved replacement asset or approved asset purchase may be necessary. These circumstances include, and are limited to: a vehicle that is inoperable, not cost effective to repair, and/or stolen, and the department has a demonstrated immediate need to replace that fleet asset with one that was already approved on a FAP.

In limited circumstances a department may also substitute an approved fleet asset purchase for another type of fleet asset. Such substitution shall only occur when there is a demonstrated immediate need for the vehicle to be purchased and the needed vehicle is no longer available on the state contract, and/or if the fleet asset no longer meets the department's business needs due to changes in program's business needs for which the asset would be used (i.e., fleet assets tied to an emergency Executive Order, Declaration and/or legislation). Substitutions may only be performed on approved, current FAPs that have not expired. Substitution requests must be submitted on the Fleet Acquisition Substitution Form and include all required information (OFA 6, if applicable), justification, and signature by the department's director. The substitution request must meet the required justification criteria and compliance with the Energy Policy Act (EPA), Miles per Gallon (MPG) standard, and Executive Order B-16-12. The substitution request shall be approved by the Chief of OFAM. (An electronic copy of the Fleet Acquisition Substitution Form can be found at the DGS website located at http://www.dgs.ca.gov/ofam/Programs/FARS/Vehicle_Acq.aspx.)

**EXECUTIVE ORDER B-16-12 ZERO EMISSION
PURCHASING MANDATE**

4121

(New 2/2016)

Zero Emission Vehicle Compliance

Pursuant to EO B-16-12 departments are required to increase the number of zero emission vehicles (ZEV) within the state fleet through the normal course of fleet replacement so that at least 10 percent of fleet purchases of light-duty (LD) vehicles are ZEV by 2015 and 25 percent by 2020. LD Vehicles having special performance requirements necessary for the protection of public safety and welfare are exempted from this mandate. The ZEV mandate is effective beginning in FY 2014/15 and FAPs that do not meet the mandate will not be processed. ZEVs include pure zero emission vehicles such as hydrogen fuel cell vehicles (FCVs) and battery electric vehicles (BEV). Plug-in hybrid electric vehicles (PHEVs) are considered transitional ZEVs and may be partially considered toward the ZEV requirement. At least half (50 percent) of the vehicles required to comply with EO B-16-12 must be pure ZEVs. PHEVs are allowable to satisfy the remainder of the ZEV requirement. Additionally, medium duty (MD) and heavy duty (HD) ZEV and PHEV purchases may also be considered for the fulfillment of the LD ZEV requirement. However, consideration towards the LD ZEV requirement will be based on their certified electric driving range established by the California Air Resources Board (CARB). See LD PHEV to ZEV Ratio Table and MD/HD PHEV to ZEV Ratio Table below for ranges:

LD PHEV to ZEV Ratio Table

<u>Vehicle Type</u>	<u>Minimum Range</u>	<u>Maximum Range</u>	<u>Ratio</u>
<u>BEV</u>			<u>1:1</u>
<u>Low Range PHEV</u>	<u>10</u>	<u>19</u>	<u>5:1</u>
<u>Mid Range PHEV</u>	<u>20</u>	<u>34</u>	<u>3:1</u>
<u>Long Range PHEV</u>	<u>35</u>	<u>49</u>	<u>2:1</u>
<u>Extra Long Range PHEV</u>	<u>50</u>	<u>n/a</u>	<u>1:1</u>

(Continued)

(Continued)

**EXECUTIVE ORDER B-16-12 ZERO EMISSION
PURCHASING MANDATE**

4121 (Cont. 1)

(New 2/2016)

Medium Duty (MD) and Heavy Duty (HD) ZEV and PHEV Ratio Table

<u>Vehicle Type</u>	<u>Minimum Range</u>	<u>Maximum Range</u>	<u>Ratio ³</u>
<u>MD ZEV ¹</u>	:	:	<u>1:1.5</u>
<u>HD ZEV ²</u>	:	:	<u>1:3</u>
<u>MD ZEV ¹</u>	<u>100</u>	:	<u>1:1</u>
<u>HD ZEV ²</u>	<u>100</u>	:	<u>1:2</u>
<u>MD ZEV ¹</u>	<u>50</u>	<u><100</u>	<u>2:1</u>
<u>HD ZEV ²</u>	<u>50</u>	<u><100</u>	<u>1:1</u>
<u>MD ZEV ¹</u>	<u>30</u>	<u><50</u>	<u>3:1</u>
<u>HD ZEV ²</u>	<u>30</u>	<u><50</u>	<u>1.5:1</u>
<u>HD Bucket Truck (conventional ICE) with Electric Power Takeoff (ePTO)</u>	:	:	<u>12:1</u>

¹ Includes Class 2B-3 GVWR 8,501 to 14,000 lbs.

² Includes Class 4-8, GVWR > 14,000 lbs.

³ For example, a 1:3 ratio means each corresponding Class 4-8 HD ZEV is equivalent to 3 LD ZEVs.

Zero Emission Vehicle Credits

ZEVs credits may be used toward the mandatory ten and 50 percent ZEV acquisition requirements. ZEV credits may be acquired through the purchase of ZEVs made after the issuance of EO B-16-12 but prior to FY 2014/15 or for ZEV purchases that exceed the amount required for a fiscal year. Please note, while BEV credits may be used towards all ZEV requirements, PHEV credits can only be used to meet compliance for PHEVs after the 50 percent BEV requirement has been met.

(Continued)

(Continued)

**EXECUTIVE ORDER B-16-12 ZERO EMISSION
PURCHASING MANDATE**

4121 (Cont. 2)

(New 2/2016)

EO B-16-12 Public Safety Special Performance Exemption

State departments are responsible for including in their FAP which vehicles a department is asserting meets the special performance exemption of EO B-16-12. The department shall include how the vehicle meets the public safety requirement and what special performance requirements the vehicle needs that cannot be met with a ZEV. Departments are required to meet both public safety and special performance components of the exemption requirement in order for the department to meet the exemption.

Example: the vehicle is used by a peace officer pursuant to Penal Code Section 830 (include applicable subsection) and the vehicle requires 4x4 capabilities to traverse remote, mountainous and rugged terrain.

Departments shall submit a public safety special performance exemption justification either through the EO B-16-12 Public Safety Special Performance Exemption Request form located on the DGS website or include the department justification in the Fleet Acquisition Plan Spreadsheet. Departments are expected to evaluate their entire light-duty fleet for every opportunity to incorporate ZEVs over traditional vehicles. (An electronic copy of the *EO B-16-12 Public Safety Special Performance Exemption Request Form* can be found at the DGS website located at http://www.dgs.ca.gov/ofam/Programs/FARS/Vehicle_Acq.aspx.)

Zero Emission Vehicle Purchases

Pursuant to EO B-16-12 all departments are required to have 10 percent of their light duty vehicle purchases less public safety special performance exemptions, be ZEVs. To ensure annual ZEV compliance, purchase orders for ZEVs must be issued within the same fiscal year or three months after receiving a FAP approval, whichever is later. To expedite the purchase of ZEVs, OFAM has established an abbreviated FAP process for ZEV requests that can be submitted separate from a department's full FAP. To use the expedited ZEV process, departments will need to submit a completed *Fleet Acquisition Plan Spreadsheet* listing all the ZEVs being requested to be purchased. In addition departments will need to provide a completed and signed *Fleet Acquisition Certification* for the ZEV vehicles. Expedited ZEV request shall include the same level of justification for additional vehicles and meet the disposition criteria for vehicle replacements. ZEV requests processed under this method will be approved by the Chief of the Office of Fleet and Asset Management. ZEV purchases approved through this process will be reconciled with the department's full FAP to ensure overall annual light duty fleet purchasing compliance with both the 10 percent and 50 percent ZEV mandates.

DONATIONS AND GIFT OF FLEET ASSETS

4123

(New 2/2016)

Pursuant to Government Code Section 11005 all gifts or dedication of personal property shall be approved by the Director of the Department of Finance (Finance). OFAM request that Finance approval be included with a department FAP that includes donated assets. However, in the event that Finance approval is not obtained prior to submittal of the FAP, OFAM will process the request and recommend a conditional approval until the department is able to obtain Finance approval. OFAM will also notify Finance of the donated assets and conditional approval. Departments shall submit the Finance approval to OFAM once approved.

VEHICLE INSPECTIONS

4124

(New 2/2016)

All vehicles shall be inspected for acceptance at the delivering dealer's place of business prior to delivery to the purchasing State agency. See SAM Section 4112. This inspection determines that all specifications are met and that the dealer has performed properly the pre-delivery inspection and servicing. The DGS will provide the services of Inspectors of Automotive Equipment to perform the acceptance inspection prior to delivery for all departments in the Inspection Services Program. The owning agency, on receipt of vehicle, should check for any damage incurred in transit from dealer to point of delivery. It is the owning agency's responsibility to license the vehicles and put them in service.

REPLACEMENT SCHEDULE CRITERIA

4126

(New 2/2016)

To assist agencies with determining replacement schedules and budgeting needs for state-owned vehicles, the following schedule may be used:

<u>Authorized emergency vehicles as defined in Section 165 of the Vehicle Code, that are equipped with emergency lamps or lights described in Section 25252 of the Vehicle Code</u>	<u>100,000 miles</u>
<u>Sedans, station wagons, vans and light duty trucks or vehicles having a gross vehicle weight rating (GVWR) or 8500 pounds or less</u>	<u>120,000 miles</u>
<u>Heavy duty trucks or vehicles (Class 3 and under) having a gross vehicle weight rating (GVWR) of 8501 pounds or more</u>	<u>150,000 miles</u>
<u>4-wheel drive vehicles</u>	<u>150,000 miles</u>

The schedule above is to be used as a guideline and not an absolute standard; OFAM may require additional justification for disposing of a vehicle that meets these standards. A state-owned vehicle may be disposed of or replaced when it is determined that it would be cost-effective to do so, regardless of age or mileage. All vehicles being disposed of require a Property Survey Report STD. 152. An OFA 6 shall also be submitted as applicable. An evaluation will be made by an Inspector of Automotive Equipment to determine whether a vehicle should be disposed of or can be safely and economically continued in service and an OFA 6 shall be provided. The decision whether to retain, reutilize, or dispose of any vehicle not meeting the minimum replacement criteria shall be based on an inspection of the following factors:

- Current mechanical condition;
- Previous maintenance and repair record;
- Extent of needed repairs and availability of parts and life expectancy of vehicle after repair;
- Current sale value;
- Cost and availability of replacement unit and accessories;
- Owning agency's ability to replace unit.

KEY DUE DATES AND TIMEFRAMES

4127

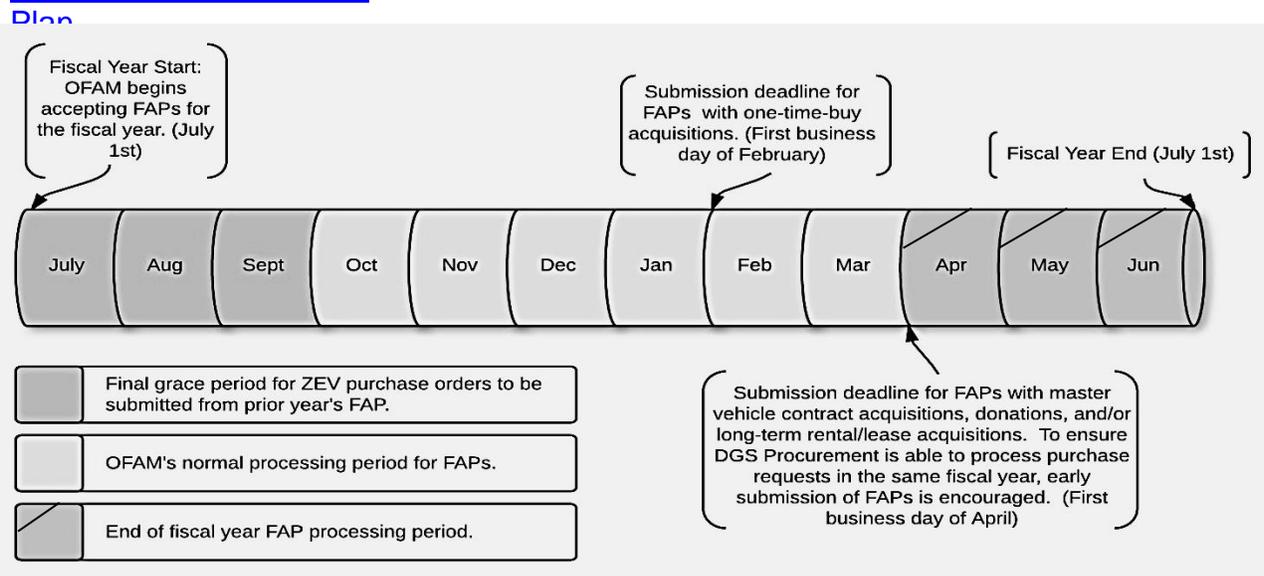
(New 2/2016)

Fleet Acquisition Plan (FAP) Due Dates:

Electronic copies of the FAP [and all required applicable documents, as detailed in State Administrative Manual (SAM) Section 4120] must be submitted to OFAM (email to FARSInfo@dgs.ca.gov) on or after the first day of the fiscal year (July 1st) for which the FAP is being submitted and no later than:

- First business day of February for one-time-buy acquisitions (*Purchase Estimate Form STD. 66 and STD. 66A*);
- First business day of April for master vehicle contract acquisitions, donations, and long-term rental/lease acquisitions.

FAP Due Dates Timeline:



Fleet Asset Approval Expirations:

- The FAP, including any approved addendums, is valid for the fiscal year in which the plan was approved plus one additional fiscal year.
- Approved assets on a FAP requiring a STD. 66 and STD. 66A shall remain in effect for the fiscal year in which the plan was approved plus two additional years.

Upon the expiration of an approved FAP for which approved assets were not purchased, departments are required to re-justify the need to acquire these asset(s) through submission of a new FAP and required documents.

(Continued)

KEY DUE DATES AND TIMEFRAMES

4127 (Cont. 1)

(New 2/2016)

Timeframe for ZEV Purchase Orders Approval:

Purchase orders for ZEVs must be issued within the same fiscal year or three months after receiving a FAP approval, whichever is later.

SAM – INFORMATION TECHNOLOGY

(California Department of Technology)

Note: Effective January 1, 2008, the Office of Information Security (Office) restructured and renumbered the content and moved SAM Sections 4840 – 4845 to SAM Sections 5300 – 5399. See also the Office's Government Online Responsible Information Management (GO RIM) Web site at www.infosecurity.ca.gov for statewide authority, standards, guidance, forms, and tools for information security activities.

CHAPTER 4800 INDEX

Transferred ownership and content to SAM Section 5300 et seq.

SECURITY AND RISK MANAGEMENT POLICY from SAM Section 4840.

AGENCY/STATE ENTITY RESPONSIBILITIES from SAM Section 4841.

RISK MANAGEMENT from SAM Section 4842.

DISASTER RECOVERY PLANNING from SAM Section 4843.

AGENCY INFORMATION SECURITY REPORTING REQUIREMENTS from SAM Section 4845.

Transferred the following SAM Sections:

ACCESS TO INFORMATION BY THE OFFICE OF THE LEGISLATIVE ANALYST from SAM Section 4841.8 to SAM Section 4804.

ACCESS TO INFORMATION BY THE CALIFORNIA STATE AUDITOR from SAM Section 4841.9 to SAM Section 4806.

STATE INFORMATION MANAGEMENT PRINCIPLES	4800
ACCESS TO INFORMATION BY THE OFFICE OF THE LEGISLATIVE ANALYST	4804
CALIFORNIA STATE AUDITOR	4806
STATUTORY PROVISIONS AND APPLICATION	
STATUTORY PROVISIONS	4810
AGENCY INFORMATION OFFICER AND STATE ENTITY CHIEF INFORMATION OFFICER RESPONSIBILITIES	4815
GENERAL	4819
Definitions	4819.2
State Information Management Authority And Responsibility	4819.3
Basic Policy	4819.31

(Continued)

**SAM – INFORMATION TECHNOLOGY
(California Department of Technology)**

(Continued)

Chapter 4800 Index (Cont. 1)

Project Approval Authority	4819.34
Project Approval Lifecycle	4819.35
Project Reporting/Oversight	4819.36
Project Reporting Criteria	4819.37
Reporting Exemption Request	4819.38
Delegated Cost Threshold	4819.39
Expenditures For Ongoing Information Technology Activities	4819.40
Procurement Review And Certification	4819.41
Budget Change Proposals	4819.42
CERTIFICATION REQUIREMENTS	
CERTIFICATION OF COMPLIANCE WITH POLICIES	4832
INFORMATION TECHNOLOGY ACCESSIBILITY POLICY	4833
EXCEPTIONS TO ACCESSIBILITY	4833.1
INFORMATION TECHNOLOGY INFRASTRUCTURE POLICY	4834
CALIFORNIA SOFTWARE MANAGEMENT POLICY	4846
Software Management Plan	4846.1
Software Management Policy Reporting Requirements	4846.2
IT PERSONNEL MANAGEMENT – ORGANIZATION, STAFFING, AND TRAINING	
STATUTORY REFERENCES	4851
TRAINING AND EMPLOYEE DEVELOPMENT	4854

SAM – INFORMATION TECHNOLOGY
(California Department of Technology)

STATUTORY PROVISIONS AND APPLICATION

STATUTORY PROVISIONS

4810

(Revised [16/20156](#))

The following provisions apply to all Agencies/state entities. State entities include every state office, officer, department, division, bureau, board, and commission, including Constitutional Officers. State entities do not include the University of California, California State University, the State Compensation Insurance Fund, the Legislature, or the Legislative Data Center in the Legislative Counsel Bureau.

[California Department of Technology:](#)

Pursuant to Government Code Sections [11545](#) and [11546](#), the Director of the California Department of Technology is charged with the duty to advise the Governor on the strategic management and direction of the state's information technology (IT) resources. In addition to this advisory role, the Department of Technology is responsible for: establishing, maintaining, and enforcing the State's IT strategic plans, policies, standards, procedures, and enterprise architecture; approval and oversight of IT projects; [approval and oversight of IT procurements for reportable projects where the procurement has not been delegated by DGS to the department ;](#) ~~-(over DGS Delegated Authority)~~ consulting with Agencies/state entities during initial project planning; and suspending, reinstating, or terminating IT projects.

[Department of Finance:](#)

Pursuant to Government Code Section [11547](#), the Department of Finance shall perform fiscal oversight of the state's IT projects. The oversight shall consist of a determination of the availability of project funding from appropriate sources and project consistency with state fiscal policy.

SAM – INFORMATION TECHNOLOGY
(California Department of Technology)

DEFINITIONS

4819.2

(Revised ~~16~~/201~~65~~)

The following definitions of administrative and technical terms are provided to assist Agencies/state entities in their application of information technology (IT) policy.

The primary source for technical definitions is the Information Processing Systems Technical Report, American National Dictionary for Information Processing Systems, developed by the American National Standards Committee, X3 Information Processing Systems. In some cases the definitions have been modified to meet state needs.

Agency: This term refers to one of the state's super Agencies such as the Business, Consumer Services and Housing Agency or the Health and Human Services Agency.

Agency Information Management Strategy: An Agency/state entity's information management strategy is the Agency/state entity's comprehensive plan for using IT to address its business needs, i.e., to successfully carry out its programmatic mission. Ideally, the Agency/state entity's information management strategy represents one aspect of a well-defined overall Agency/state entity business strategy and is therefore closely aligned to its business strategy. If the Agency/state entity has not established a business strategy, Agency/state entity staff that are responsible for the Agency/state entity information management strategy must make assumptions based on their knowledge of the Agency/state entity's overall mission, its program resources and priorities, and the changing nature of its environment.

Ancillary Solicitation: An acquisition that may be necessary to achieve and/or support the primary procurement activities and objectives of an IT project. An IT project may be supported by many Ancillary Solicitations.

Baseline(d): An approved time phased plan for project work against which project execution is compared to measure and manage cost and schedule performance. A project must be baselined in accordance with the milestones in the approved Project Approval Lifecycle Stage 4 Project Readiness and Approval. A project may not be re-baselined unless an approved Special Project Report (SPR) is available.

(Continued)

SAM – INFORMATION TECHNOLOGY
(California Department of Technology)

(Continued)

DEFINITIONS

4819.2 (Cont. 1)

(Revised 6/2015)

Business Strategy: An Agency/state entity's business strategy is its overall plan for accomplishing its mission in a changing environment with the resources it can reasonably expect to be available. Such a strategy typically addresses the Agency/state entity's statutory mission and historical role, the expectations of its key stakeholders (individuals and organizations that affect the Agency/state entity or that the Agency/state entity affects), the factors that are critical to its success as an organization, the Agency/state entity's internal strengths and weaknesses, and the political, social, economic, and technological forces in its environment that support or constrain its programs. Business strategies articulate the key issues that must be successfully addressed by the Agency/state entity and identify the priorities and required resources for proposed actions. A strategy may have a time frame that is as short as a few months. However, most Agency/state entity business strategies present a three- to five-year perspective, with some Agencies/state entities finding it useful to extend their strategic vision as much as ten to twenty years into the future. Strategic planning is not a one-time effort; it is a fundamental, continuing management process that allows the Agency/state entity to respond in an effective manner to a changing environment.

California Project Management Methodology: The California Project Management Methodology ([CA-PMM](#)) is a customized, orchestrated project management workflow derived from the Project Management Institute's process groups. The CA-PMM identifies 500 hours of effort to be the threshold for requiring CA-PMM project management disciplines. While smaller endeavors are not subject to the CA-PMM, they should still be planned and managed effectively.

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.

Cloud Software as a Service (SaaS): The capability provided to the consumer is to use the provider's applications running on a cloud infrastructure. The applications are accessible from various client devices through a thin client interface such as a web browser (e.g., web-based email). The consumer does not manage or control the underlying cloud infrastructure including network, servers, operating systems, storage, or even individual application capabilities, with the possible exception of limited user-specific application configuration settings.

SAM – INFORMATION TECHNOLOGY
(California Department of Technology)

(Continued)

DEFINITIONS

4819.2 (Cont. 2)

(Revised 6/2015)

Cloud Platform as a Service (PaaS): The capability provided to the consumer is to deploy onto the cloud infrastructure consumer-created or acquired applications created using programming languages and tools supported by the provider. The consumer does not manage or control the underlying cloud infrastructure including network, servers, operating systems, or storage, but has control over the deployed applications and possibly application hosting environment configurations.

Cloud Infrastructure as a Service (IaaS): The capability provided to the consumer is to provision processing, storage, networks, and other fundamental computing resources where the consumer is able to deploy and run arbitrary software, which can include operating systems and applications. The consumer does not manage or control the underlying cloud infrastructure but has control over operating systems; storage, deployed applications, and possibly limited control of select networking components (e.g., host firewalls).

Commercial Off-the-Shelf (COTS): A computer hardware or software product that is ready-made for specific uses and available for sale to the general public. COTS products are designed to be installed without requiring custom development. For example, Microsoft Office is a COTS product that is a packaged software solution for businesses and individuals. The set of rules for COTS is defined by the Federal Acquisition Regulation (FAR).

Confidential Information: Information maintained by Agencies/state entities that is exempt from disclosure under the provisions of the California Public Records Act (Government Code Sections [6250-6265](#)) or other applicable state or federal laws. See SAM Section [5320.4](#).

Continuing Costs: Costs associated with the operation and maintenance of an IT system or application after development and implementation of the system.

Critical Application: An application that is so important to the state that the loss or unavailability of the application is unacceptable. With a critical application, even short-term unavailability of the information provided by the application would have a significant negative impact on the health and safety of the public or state workers; on

SAM – INFORMATION TECHNOLOGY

(California Department of Technology)

the fiscal or legal integrity of state operations; or on the continuation of essential Agency/state entity programs.

Data: A representation of facts, concepts, or instructions in a formalized manner suitable for communication, interpretation, or processing by humans or by automated means.

(Continued)

SAM – INFORMATION TECHNOLOGY
(California Department of Technology)

(Continued)

DEFINITIONS

4819.2 (Cont. 3)

(Revised ~~16~~/201~~65~~)

Data Processing: The systematic performance of operations upon data, e.g., handling, merging, sorting, computing. Synonymous with information processing.

Data Processing System: A system, including computer systems and associated IT personnel, that performs input, processes storage, output, and control functions to accomplish a sequence of operations on data.

Data/Information Storage: The retaining of data/information on any of a variety of mediums (i.e., magnetic disk, optical disk, or magnetic tape) from which the data can be retrieved.

Data Transmission: The conveying of data from one functional unit to one or more additional functional units through the transmission of signals by wire, radio, light beam, or any other electromagnetic means. (Voice or video transmissions are not considered data transmission for the purposes of state policy.)

[Delegated Cost Threshold:](#) See SAM Section [4819.39](#)

Development: Activities or costs associated with the analysis, design, programming, staff training, data conversion, acquisition, and implementation of new IT applications.

[DGS Delegated Purchasing Authority:](#) [Through Statutory Authority, the Department of General Services \(DGS\) may grant delegated purchasing authority to Agencies/state entities to procure non-information technology goods and information technology goods and services with a total cost equal to or less than the delegated purchasing authority amount under each category, as defined within the State Contracting Manual \(SCM\), Volume 3, Chapter 1.](#)

Electronic and Information Technology (EIT or E&IT): Includes IT and any equipment or interconnected system or subsystem of equipment that is used in the creation, conversion, or duplication of data or information. The term electronic and IT includes, but is not limited to, telecommunications products (such as telephones, cell phones, smart phones, and radio receivers), information kiosks and transaction machines, World Wide Web sites, multimedia, and office equipment such as copiers and fax machines.

Emergency: 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 when

SAM – INFORMATION TECHNOLOGY

(California Department of Technology)

the Governor declares an emergency, expenditures cannot exceed \$25,000, unless approved by the Department of Finance.

Hardware: See Information Technology equipment.

(Continued)

SAM – INFORMATION TECHNOLOGY
(California Department of Technology)

(Continued)

DEFINITIONS

4819.2 (Cont. 4)

(Revised ~~16/20156~~)

Information Processing: The systematic performance of operations upon data, e.g., handling, merging, sorting, computing. Synonymous with data processing.

Information Technology: Information technology (IT) means all computerized and auxiliary automated information handling, including systems design and analysis, conversion of data, computer programming, information storage and retrieval, voice, video, data communications, microwave, light wave, routers, network equipment, requisite systems controls, and simulation.

Information Technology Activities: Any activity listed below, or any combination of these activities for a single IT project, is to be considered an "IT activity."

1. IT facility preparation, operation and maintenance.
2. Information management planning.
3. Feasibility determination, development and implementation of application systems or programs, or changes to application systems or programs to meet new or modified needs, or maintenance, including: Project Approval Lifecycle Stage/Gate deliverable preparation, systems analysis, systems design, purchase and installation of software, programming, conversion of data or programs, documentation of systems and procedures, and project appraisal or assessment.
4. Operation of application systems or programs including handling, assembling, or editing of input-output data or media where IT equipment or IT personnel are used.
5. ~~Services or equipment received through an IT Leveraged Procurement Agreement.~~ Information Technology Procurement.
6. ~~Acquisition, installation~~ Installation, operation, and maintenance of data processing equipment, IT equipment, goods and services, and software.

(Continued)

SAM – INFORMATION TECHNOLOGY
(California Department of Technology)

(Continued)

DEFINITIONS

4819.2 (Cont. 5)

(Revised 6/2015)

7. Other installation management activities including performance measurement, system tuning, and capacity management.
8. Preparation and administration of requests for proposals or bid solicitations for contracts for any of the above activities.
9. Preparation of contracts, interagency agreements, and purchase estimates for any of the above activities.
10. Employment of personnel in support of, or directly related to, any of the above activities, including: administration, technical services, clerical services, travel, training, and preparation of periodic and special reports.
11. Control functions directly related to any of the above activities.

IT Equipment: Information Technology devices used in the processing of data electronically. The following are examples of IT equipment:

1. Mainframes and all related features and peripheral units, including processor storage, console devices, channel devices, etc.;
2. Minicomputers, midrange computers, personal computers, laptop, tablets, smart phones and all peripheral units associated with such computers;
3. Special purpose systems including word processing, Optical Character Recognition (OCR), bar code readers/scanners, and photo composition;
4. Communication devices used for transmission of data such as: modems, data sets, multiplexors, concentrators, routers, switches, local area networks, private branch exchanges, network control equipment, or microwave or satellite communications systems; and
5. Input-output (peripheral) units (off-line or on-line) including: display screens, optical character readers, magnetic tape units, mass storage devices, printers, video display units, data entry devices, plotters, scanners, or any device used as a terminal to a computer and control units for these devices.

(Continued)

SAM – INFORMATION TECHNOLOGY
(California Department of Technology)

(Continued)

DEFINITIONS

4819.2 (Cont. 6)

(Revised 6/2015)

Information Technology Expenditure: The expenditure of funds regardless of source by any Agency/state entity for IT activities, equipment, facilities, personnel, services, supplies and the automated processing of information.

Information Technology Infrastructure: An Agency/state entity's IT infrastructure is the base or foundation for the delivery of information to support the Agency/state entity's programs and management. The infrastructure contains elements upon which an

Agency/state entity's IT activities are dependent. An Agency/state entity must therefore define, implement, and manage these infrastructure elements to successfully employ IT.

The desirable characteristics of this infrastructure are efficient support for the exchange of information within the Agency/state entity and between the Agency/state entity and other organizations; reliable availability of information processing capabilities whenever and wherever they are needed; preservation of the integrity and confidentiality of information maintained by the Agency/state entity; sufficient flexibility to allow the timely and efficient addition of new information management capabilities and modifications of established capabilities; and consistency with a coherent set of technical and managerial standards for the employment of IT.

Typical elements in an IT infrastructure include:

Application Systems. The applications that an Agency/state entity purchases and/or develops to achieve personal productivity and program support benefits.

Architecture. The guidelines or blueprints that an Agency/state entity follows in designing, acquiring, and implementing IT solutions. Organizationally approved definitions, specifications, and standards are the primary components in an Agency/state entity's IT architecture.

Communications. Local area and wide area network components, including linkages with other organizations.

Equipment. An Agency/state entity's hardware platforms and components ranging from individual personal computers to mainframes and associated peripherals.

Facilities. The electrical, ventilation, fire suppression, physical security, wiring, and other components required to support an Agency/state entity's IT capability, including the physical structure itself.

Funding. Current and projected funding for IT planning, acquisition, development, and operations activities.

(Continued)

SAM – INFORMATION TECHNOLOGY
(California Department of Technology)

(Continued)

DEFINITIONS

4819.2 (Cont. 7)

(Revised 6/2015)

Partnerships. Relationships with other public and private sector organizations that support and enable the Agency/state entity's pursuit and use of IT.

People. An Agency/state entity's technical staff, user community groups, and executive steering and oversight committees that are charged with IT planning, approval, development, management, operations, and security responsibilities.

Plans. Detailed designs or methods for aligning IT activities with Agency/state entity business strategies and accomplishing business objectives. Typical Agency/state entity IT plans includes strategic, risk management, and operational recovery.

Policies. The rules, conventions, and protocols adopted by the Agency/state entity to govern the pursuit and use of IT.

Processes and Procedures. The defined steps for planning, approving, acquiring, developing, operating, maintaining, enhancing, and using IT within the Agency/state entity.

Service Definitions. The types of services provided, accepted service levels, and service delivery time frames established for an Agency/state entity's IT support organization.

Software. The set of operating system, utility, communications, user interface, and management programs that enable users to operate and control computers and develop application systems.

The infrastructure includes elements owned by the Agency/state entity and available under contract or through interagency agreement. For Agencies/state entities that employ the services of a consolidated data center, for example, the required data center resources are considered part of the Agency/state entity's infrastructure.

Reengineering the Business Process. The search for, and implementation of, radical changes in business processes that result in dramatic efficiencies, reductions in turnaround time, improvements in quality, or improvements in customer service.

Strategic Planning Process for Information Technology. The process of aligning Agency/state entity plans for, and uses of, IT with the Agency/state entity's business strategies.

(Continued)

**SAM – INFORMATION TECHNOLOGY
(California Department of Technology)**

(Continued)

DEFINITIONS

4819.2 (Cont. 8)

(Revised ~~61/20165~~)

Information Technology Procurement: ~~Any contract, interagency agreement or purchase estimate to conduct any activity listed below, or any combination of these activities is to be considered an "information technology procurement."~~ Any process to obtain IT goods/services, through competitive, non-competitive, purchase or lease, for the benefit of the State. Sometimes referred to as contracting, purchase or acquisition.

~~IT facility preparation, operation and maintenance.~~

-

~~Development and implementation of application systems or programs, or changes to application systems or programs to meet new or modified needs, or maintenance, including: Project Approval Lifecycle Stage/Gate deliverable preparation, systems analysis, systems design, purchase and installation of software, programming, conversion of data or programs, documentation of systems and procedures, and project appraisal or assessment.~~

-

~~Operation of application systems or programs including handling, assembling, or editing of input-output data or media where IT equipment or IT personnel are used.~~

-

~~Services or equipment received through an IT Leveraged Procurement Agreement.~~

~~Acquisition, installation, operation, and maintenance of data processing equipment, IT equipment, goods and services, and software.~~

-

~~Other installation management activities including performance measurement, system tuning, and capacity management.~~

-

~~Employment of personnel in support of, or directly related to, any of the above activities, including: administration, technical services, clerical services, travel, training, and preparation of periodic and special reports.~~

-

~~Control functions directly related to any of the above activities.~~

Information Technology Project: A unique endeavor with a defined beginning and end, named deliverables and defined budget/resources that consumes at least 500 hours of effort. Information Technology (IT) projects are undertaken to provide an IT solution for a business problem/opportunity in order to meet unique goals and defined objectives that encompasses computerized and auxiliary automated information handling, that may include systems design and analysis, conversion of data, computer

SAM – INFORMATION TECHNOLOGY

(California Department of Technology)

programming, information storage and retrieval, data transmission, requisite system controls, simulation, and related interactions between people and machines.

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**SAM – INFORMATION TECHNOLOGY
(California Department of Technology)**

(Continued)

DEFINITIONS

4819.2 (Cont. 9)

(Revised ~~61/20156~~)

Information Technology Project Oversight Framework: Minimum requirements for IT project management, risk management and IT project oversight activities for Agencies/ state entities. Description of control agency project reporting requirements and processes for assessing Agency/state entity project management and oversight activities. See [SIMM Section 45](#).

Information Technology Personnel: All state personnel employed in IT or telecommunications classifications as defined by the Department of Human Resources or by the Trustees of the California State University and Colleges, and all personnel of other classifications in Agencies/state entities who perform IT activities for at least 50 percent of their time. Users of personal computers and office automation are not included in this category unless they are in IT classifications or spend at least 50 percent of their time performing IT activities.

Information Technology Reportable Procurement: Any procurement that is related to a Reportable Project with a total cost less than or equal to the Agency/state entity's assigned DGS Delegated Purchasing Authority dollar threshold.

Information Technology Reportable Procurement Over the DGS Delegated Purchasing Authority: Any procurement that is related to a Reportable Project with a total cost that exceeds the Agency/state entity's assigned DGS Delegated Purchasing Authority dollar threshold.

Information Technology Supplies: All consumable items and necessities (excluding equipment defined as IT equipment) to support information technology activities and IT personnel, including:

1. Documents (such as standards and procedures manuals, vendor-supplied systems documentation, and educational or training manuals);
2. Equipment supplies (such as printer ~~forms~~[cartridges](#), ~~punch-card stock, disk packs, "floppy" disks, and~~ magnetic tape, ~~and printer ribbons or cartridges~~); and
3. Furniture (such as terminal tables and printer stands).

Input-Output Unit/Device: A unit or device in an IT system by which data may be entered into the system, received from the system, or both.

SAM – INFORMATION TECHNOLOGY
(California Department of Technology)

Life Cycle: The anticipated length of time that the IT system or application can be expected to be efficient, cost-effective and continue to meet the Agency/state entity's programmatic requirements. Synonymous with operational life.

Maintenance: Activities or costs associated with the ongoing upkeep of operational applications of IT. Maintenance includes correcting flaws, optimizing existing systems or applications, responding to minor changes in specified user requirements, renewal of equipment maintenance agreements, software or hardware upgrade or refresh to maintain the health of the systems, and meeting normal workload increases using substantially the same applications, facilities, IT personnel, supplies and software.

Mobile Web: Mobile web refers to access to the Internet or Web applications using a mobile device, such as a smart phone, connected to a wireless network.

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SAM – INFORMATION TECHNOLOGY
(California Department of Technology)

(Continued)

DEFINITIONS

4819.2 (Cont. 10)

(Revised 6/2015)

Network Equipment: Equipment facilitating the use of a computer network. This includes routers, switches, hubs, gateways, access points, network bridges, modems, firewalls, and other related hardware and software.

One-Time Costs: Costs associated with the analysis, design, programming, verification and validation services, staff training, data conversion, acquisition, and implementation of new IT applications. See SIMM Section 19F (Financial Analysis Worksheets).

Open Source Software: Software that includes distribution terms that comply with the following criteria provided by the Open Source Initiative: (The open source definition used here is from the Open Source Initiative and is licensed under a Creative Commons Attribution 2.5 License (<http://creativecommons.org/licenses/by/2.5/>))

1. Free Redistribution: The software can be given as part of a package with other applications;
2. Source Code: The code must either be distributed with the software or easily accessible;
3. Derived Works: The code can be altered and distributed by the new author under the same license conditions as the product on which it is based;
4. Integrity of the author's source code: Derived works must not interfere with the original author's intent or work;
5. No discrimination against persons or groups;
6. No discrimination against fields of endeavor: Distributed software cannot be restricted in who can use it based on their intent;
7. Distribution of license: The rights of the program must apply to all to whom the program is re-distributed without need for an additional license;
8. License must not be specific to a product; Meaning that an operating system product cannot be restricted to be free only if used with another specific product;
9. License must not contaminate other software; and
10. License must be technology-neutral.

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SAM – INFORMATION TECHNOLOGY
(California Department of Technology)

(Continued)

DEFINITIONS

4819.2 (Cont. 11)

(Revised [6/2015](#))

Operational Life: See Life Cycle.

Operations: Activities or costs associated with the continued use of applications of IT. Operations includes IT personnel associated with computer operations, including network operations, job control, scheduling, key entry, and the costs of computer time or other resources for processing.

Peripheral Unit/Device: With respect to a particular processing unit or device, any equipment that can communicate directly with that unit or device.

Power Management: A feature of some electrical appliances, especially copiers, computers and computer peripherals such as monitors and printers, which turns off the power or switches the system to a low-power state when inactive.

Previously Approved Effort/Project: An IT activity or project previously approved by the California Department of Technology or the Agency/state entity's executive officer in accordance with SAM Section [4819.3](#). Qualification of an activity as a previously approved effort requires an approved Stage 4 Project Readiness and Approval AND an approved Post-Implementation Evaluation Report ([PIER](#)). Applicable activities include meeting modified needs, improving the effectiveness of the activity, program or system maintenance, or extension of existing services to new or additional users performing essentially the same functions as those that the project was designed to support. A previously approved effort/project must use substantially the same equipment, facilities, technical personnel, supplies and software to meet substantially the same requirements or to meet normal workload increases. : (Note: "Substantially the same equipment" does not include the addition, upgrade or replacement of a central processing unit.)

Primary Solicitation: The acquisition that will procure and obtain the main IT Goods and/or Services for an IT project solution. An IT Project may only have one Primary Solicitation, but may be supported by many Ancillary Solicitations.

Procurement Oversight: An independent review and analysis to determine if the procurement methodology is sound and feasible. Procurement Oversight includes coaching, guidance and direction in all aspects of IT procurement. Oversight activities may include procurement planning, assistance in developing deliverables, review and approval of procurement documents and the execution and award of contracts.

Program: A sequence of instructions suitable for processing. See Information Processing or Data Processing.

SAM – INFORMATION TECHNOLOGY
(California Department of Technology)

Programming: The designing, writing, testing, debugging, and documentation of programs.

Project: See Information Technology Project.

(Continued)

SAM – INFORMATION TECHNOLOGY
(California Department of Technology)

(Continued)

DEFINITIONS

4819.2 (Cont. 12)

(Revised 16/2016)

Project Approval Lifecycle (PAL): The policy, procedures and templates that make up the State of California’s process for gaining approval of IT projects. The Project Approval Lifecycle is divided into four stages, separated by gates. Each stage consists of a set of prescribed, cross-functional, and parallel activities to develop deliverables used as the inputs for the next gate. The gates provide a series of “go/no go” decision points that request only the necessary and known information needed to make sound decisions for that particular point in time. The four stages, which document the business analysis, alternatives analysis, ~~procurement~~ solution development analysis and ~~solution~~ project readiness analysis, must be approved by the Department of Technology prior to the encumbrance or expenditure of funds, including the use of staff resources, on any IT project beyond the Project Approval Lifecycle.

Project End Date: The proposed project end date should reflect the conclusion of project activities; the last date that proposed project activities are estimated to be completed. This should exclude any activities related to the Post Implementation Evaluation Report (PIER).

Project Oversight: An *independent* review and analysis to determine if the project is on track to be completed within the estimated schedule and cost, and will provide the functionality required by the sponsoring business entity. Project oversight identifies and quantifies any issues and risks affecting these project components.

Project Planning Start Date: The project planning start date is the date an Agency/state entity begins a Stage 2 Alternatives Analysis. The planning phase of an IT project proposal begins with the Stage 2 Alternatives Analysis and ends at the conclusion of Stage 4 Project Readiness and Approval (Gate 4).

Project Planning End Date: The project planning end date should reflect the conclusion of project planning activities; the last date that project planning activities are estimated to be completed at the conclusion of Stage 4 Project Readiness and Approval (Gate 4).

Project Start Date: The project start date is the date an IT project proposal is both approved and funded. For most projects dependent on a funding request, this date will be July 1st of the year the project funding is approved. For projects without this dependency, the project start date is the project approval date (Gate 4 approval).

Proprietary Software: Computer programs which are the legal property of one party, the use of which is made available to a second or more parties, usually under contract or licensing agreement.

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SAM – INFORMATION TECHNOLOGY
(California Department of Technology)

(Continued)

DEFINITIONS

4819.2 (Cont. 13)

(Revised ~~16~~/201~~6~~~~5~~)

Public Facing Applications: Any web-facing application designed and delivered with the intent of access by individuals or organizations over the public internet. Public facing applications are exposed to the broadest base of potential users (e. g. citizens), and are accessed via a web-browser.

Public Information: Any information prepared, owned, used or retained by an Agency/state entity and not specifically exempted from the disclosure requirements of the California Public Records Act (Government Code Sections [6250-6265](#)) or other applicable state or federal laws.

Sensitive Information: Information maintained by Agencies/state entities that requires special precautions to protect it from unauthorized modification or deletion. See SAM Section [5320.4](#). Sensitive information may be either public or confidential (as defined above).

Reportable Project: An IT Project that meets one or more of the criteria listed in SAM Section 4819.37. Reportable Projects must be formally approved by the Department of Technology through the Project Approval Lifecycle.

Server Room: Any space that houses computer operations. Such computer operations could utilize mainframes, servers, or any computer resource functioning as a server.

Shutdown: Turning the power off in a controlled manner.

Software: Programs, procedures, rules, and any associated documentation pertaining to the operation of a system. (Contrast with hardware.)

Staff Augmentation Procurement: The acquisition of contracted services to address state staff resource constraints or skill gaps for IT project activities.

Staff Redirection: The redirection of existing Agency/state entity staff resources to support IT project activities or backfill behind existing staff redirected to support IT project activities. Contracted services are not considered Staff Redirection.

Stage/Gate Deliverables: The formal deliverable documents that support the Project Approval Lifecycle. Stage/Gate deliverables are the Stage 1 Business Analysis, Stage 2 Alternatives Analysis, Stage 3 Solution Development and Stage 4 Project Readiness and Approval. Formal project approval occurs upon approval of the Stage 4 Project Readiness and Approval.

SAM – INFORMATION TECHNOLOGY
(California Department of Technology)

State Entity: Includes every state office, officer, department, division, bureau, board, and commission, including Constitutional Officers. “State entity” does not include the University of California, California State University, the State Compensation Insurance Fund, the Legislature, or the Legislative Data Center in the Legislative Counsel Bureau.

Statewide Information Management Manual (SIMM): The Statewide Information Management Manual (SIMM) as structured by the Department of Technology that contains standards, procedures, instructions and guidelines, as well as samples, models, forms and communication documents that Agencies/state entities either must use, or will find helpful to use, in complying with established state policy relating to IT. For clarity, references in SIMM to "Department of Finance" that are not related to budget documents such as Budget Change Proposals or Finance Letters, should be read as references to the "California Department of Technology".

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SAM – INFORMATION TECHNOLOGY
(California Department of Technology)

(Continued)

DEFINITIONS

4819.2 (Cont. 14)

(Revised 6/2015)

State Telecommunications Management Manual ([STMM](#)): The State Telecommunications Management Manual (STMM) as structured by the Department of Technology contains state telecommunications policies and procedures based on SAM [4500-4555](#) and Government Code Section [11534-11543](#). The STMM is continually updated to reflect current telecommunications policies and practices, and links to helpful outside resources are included throughout the STMM.

System Standby: A low power mode for electronic devices such as computers, televisions, and remote controlled devices (aka “sleep mode”). These modes save significant electrical consumption compared to leaving a device fully on and idle but allow the user to avoid having to reset programming codes or wait for a machine to reboot.

Technology Letter: Letters issued by the Department of Technology conveying official communications regarding state IT, announcing new or changes to existing IT policies and procedures, or announcing new or changes to existing state IT services or standards.

Telecommunications: Includes voice and data communications, the transmission or reception of signals, writing, sounds, or intelligence of any nature by wire, radio, light beam, or any other electromagnetic means.

Tenant Managed Services: Centralized Tier III-equivalent data center space providing participating state Agencies/state entities the ability to operate their own environment with a degree of independence in the overall management of their server infrastructure. Additionally, Agencies/state entities can plan utilization of the Tenant Managed Services (TMS) as a disaster recovery site.

Tier III-Equivalent Data Center: Data Center facility consisting of multiple active power and cooling distribution paths; however, only one path is active. The facility has redundant components and is concurrently maintainable providing 99.982% availability.

Total Planning Cost: The total planning cost is the sum of all costs associated with the planning activities conducted in Stage 2 Alternatives Analysis through Stage 4 Project Readiness and Approval.

Total Project Cost: The total project cost is the sum of ALL costs associated with the project planning phases (Stage 2 through Stage 4) and the project execution phase (design, development and implementation), plus one full year of maintenance and operations costs.

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SAM – INFORMATION TECHNOLOGY
(California Department of Technology)

(Continued)

DEFINITIONS

4819.2 (Cont. 15)

(Revised 6/2015)

Validation: The process of evaluating software during or at the end of the development process to determine whether it satisfies specified requirements. [IEEE-STD-610]

Verification: The process of evaluating software to determine whether the products of a given development phase satisfy the conditions imposed at the start of that phase. [IEEE-STD-610]

Virtualization: A framework or methodology of dividing the resources of a computer into multiple execution environments, by applying one or more concepts or technologies such as hardware and software partitioning, time-sharing, partial or complete machine simulation, emulation, quality of service, and many others.

Workload Increase: Employing substantially the same resources (equipment, facilities, IT personnel, supplies, software) to process a greater volume of the same or similar information. The results of the processing are the same or similar outputs distributed to comparable users.

**SAM – INFORMATION TECHNOLOGY
(California Department of Technology)**

**STATE INFORMATION MANAGEMENT AUTHORITY
AND RESPONSIBILITY**

4819.3

(Revised [6/2015](#))

Pursuant to Government Code Sections [11545](#) and [11546](#), the Director of the California Department of Technology is charged with the duty to advise the Governor on the strategic management and direction of the State's IT resources. In addition to this advisory role, the Department of Technology is responsible for: establishing, maintaining, and enforcing the state's IT strategic plans, policies, standards procedures, and enterprise architecture; approval and oversight [of IT](#) projects; [acquisition of reportable IT projects over the DGS Delegated Purchasing Authority](#); consulting with Agencies/state entities during initial project planning; and suspending, reinstating, or terminating IT projects.

SAM – INFORMATION TECHNOLOGY
(California Department of Technology)

BASIC POLICY

4819.31

(Revised [61/20156](#))

Each Agency/state entity is required to:

1. Establish and maintain a Technology Recovery Plan, so that it will be able to protect its information assets in the event of a disaster or serious disruption to its operations, and submit the plan or its update to the California Information Security Office (CISO) as outlined in the Technology Recovery Plan ~~Quarterly~~ Reporting Schedule (~~SIMM Section 05~~[SIMM Section 05B](#)). See SAM Section ~~5325~~[5325.1](#).

2. Establish an ongoing information management strategic planning process to support the accomplishment of its overall business strategy (e.g., its strategy to carry out its programmatic mission) and submit its strategic plan to the Department of Technology for approval. See SAM Section [4900.2](#).

3. ~~Adopt standards for an Agency/state entity IT infrastructure consistent with SAM Section [4900.1](#).~~

- 3.—

- 4.—

4. ~~Submit~~[Prepare Stage 1 Business Analysis \(SIMM 19A\) for all Information Technology Projects, which represent project proposals, and submit to the Department of Technology for a long term planning of the state's strategic IT investments. See SAM Section 4904.](#)
~~Prepare annually an IT Capital Plan for long-term planning of the state's strategic IT investments. See SAM Section [4904](#).~~

5. Use the California Project Management Methodology ([CA-PMM](#)) as described in SAM Section [4910](#) for managing all IT projects.

6. Implement their Enterprise Architecture in accordance with the guidelines and instructions included in [SIMM Section 58](#).

7. Conduct a study for each proposed IT project (development or acquisition) and obtain approval through the Project Approval Lifecycle from the Department of Technology or from the Agency/state entity director (if approval authority has been delegated) ~~before expending any resources on the project~~. See SAM Sections [4819.34-4819.35](#).

**SAM – INFORMATION TECHNOLOGY
(California Department of Technology)**

(Continued)

**SAM – INFORMATION TECHNOLOGY
(California Department of Technology)**

(Continued)

BASIC POLICY

4819.31 (Cont. 1)

(Revised ~~16/2016~~⁵)

8. Submit, upon request from the Department of Technology, all ~~Formal~~ **IT Solicitations Reportable Procurements (as defined in SAM Section 4819.2); (as defined in the State Contracting Manual (SCM), Volume 3, Chapter 4, Section B1.0) to the Department of Technology for review prior to release to the public.**

~~Review of Informal IT Solicitations is delegated to Agencies/state entities. The following materials shall be included with the Formal IT Solicitation package:~~

- ~~a. A completed and signed *Formal Information Technology Solicitation Executive Approval Transmittal*, which is available in SIMM Section 28A.~~
- ~~b. All sections, appendices, attachments and exhibits comprising the Formal IT Solicitation.~~

~~Review of Formal IT Solicitations is in addition to existing IT-related reporting and approval requirements. The instructions and time frame for submitting Formal IT Solicitations to the Department of Technology for review is specified in SIMM Section 05A.~~

~~For addenda focusing on Technical or Functional Requirements within the solicitation that are specific to the California IT Strategic Plan, alignment with the Statewide Enterprise Architecture, or alignment with IT reporting and approval requirements, the Department of Technology, and with the issuing Agency/state entity, for delegated procurements, prior to release:~~

~~Agencies/state entities shall not be relieved of responsibility for major scope deviations within the Formal IT Solicitations or addenda reviewed by the Department of Technology unless:~~

- ~~a. The Agency/state entity has specifically informed the Department of Technology IT Project Oversight Division (ITPOD) in writing of such major scope deviations at the time of submittal; and~~
- ~~b. Department of Technology has given written approval of the specific deviation.~~

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SAM – INFORMATION TECHNOLOGY
(California Department of Technology)

(Continued)

BASIC POLICY

4819.31 (Cont. 2)

(Revised ~~6~~1/201~~6~~5)

9. Obtain approval of all IT Acquisitions related to Reportable Projects that exceed the Agency/state entity's DGS Delegated Purchasing Authority (as defined in SAM Section 4819.2), from the Department of Technology's Statewide Technology Procurement Division (STPD) prior to release to the public. These IT Acquisitions shall be included with the PAL Stage 3 Solution Development prepared in accordance with SIMM Section 19C. The instructions and time frame for submitting IT Acquisitions to the Department of Technology for review is specified in SIMM Section 05A.

~~8.~~10. Manage IT projects following the established IT Project Oversight Framework (SIMM Section 45) minimum requirements, to ensure that projects are completed on-time, within budget, and that they accomplish the objectives defined in their Stage 1 Business Analysis.

~~9.~~11. Protect the integrity of its information management capabilities and databases and ensure the security and confidentiality of information it maintains.

~~10.~~12. Establish an acquisition planning process for IT project acquisition of IT goods and services as determined by the Department of Technology.

~~11.~~13. Agencies/state entities shall implement power management practices on all desktop and laptop computing devices, thin client devices, printers, copiers, scanners, and monitors. During hours of normal operation, devices which are not in use for 30 minutes shall automatically go into an energy-saving mode. Devices shall be shut down at the end of the normal business day.

In addition, Agencies/state entities shall fully implement power management software for desktop and laptop devices by December 31, 2010, or six months after the 2010-11 Budget has been enacted, whichever is later. Agencies/state entities shall also implement standby and shutdown practices for all devices within the scope of this policy beginning December 31, 2010.

Exemptions must be approved in writing by the Agency Information Officer (AIO) or the state entity's Chief Information Officer (CIO). Exemptions are limited to:

- Devices which must remain in active mode to meet state operational needs. An example of a valid exemption would be a desktop computer

SAM – INFORMATION TECHNOLOGY

(California Department of Technology)

and monitor utilized to manage batch programs 24 hours per day, seven days per week.

- Facilities with electrical service bundled-in with facility lease contracts where Agencies/state entities would not likely receive offsetting benefits from acquired power management software. In this instance, compliance can be achieved through the use of standard operating systems functionality (e.g., Windows).

If an Agency/state entity fails to meet these requirements, the Agency/state entity will be required to obtain Department of Technology approval before expending any resources on IT projects.

The project approval process is described in SAM Section 4819.34

SAM – INFORMATION TECHNOLOGY
(California Department of Technology)

PROJECT APPROVAL AUTHORITY

4819.34

(Revised 6/2015)

Authority for approval of information technology (IT) projects lies with the Department of Technology, but it is the intention of the State's Chief Information Officer to delegate approval authority to Agency/state entity directors to the maximum extent practicable. When an Agency/state entity's proposed expenditures on IT are consistent with established policies and when the Agency/state entity has consistently adhered to those policies and successfully implemented IT projects, the Department of Technology will consider delegating authority for the approval of resources to Agency/state entity directors, as defined below.

The Department of Technology will establish an Agency/state entity-specific cost delegation level, i.e., the project cost level above which the Agency/state entity must obtain project approval from the Department of Technology (see SAM Section 4819.37) before the Agency/state entity is authorized to initiate the project.

The Department of Technology's delegations fall into one of four general groups:

Group 1 – Desktop and Mobile Computing Delegations – Agencies/state entities that have established and currently maintain an acceptable Technology Recovery Plan and plan for the appropriate application of desktop and mobile computing will be delegated authority for the acquisition of equipment and software to support their desktop and mobile computing activities. See SAM Section 4989.2.

Group 2 – Commercial-off-the-Shelf (COTS) Software and Cloud Software-as-a-Service (SaaS) Delegations – Agencies/state entities are delegated the authority for the approval and acquisition of COTS software and Cloud SaaS solutions which are not classified as reportable (see SAM Section 4819.37 for a list of reportable project criteria). The acquisition must meet **“ALL”** of the following conditions:

- Software licenses and consulting services will be acquired through a leveraged purchasing agreement managed by the Department of General Services (e.g. CMAS or MSA) or through one of the Department of Technology's master contracts.
- Does not require installation of new hardware on premises at the Agency/state entity or its designated data center.
- Solution is single purpose use, not mission critical, and used for internal purposes only.
- Does not exchange confidential or sensitive data with other systems.

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SAM – INFORMATION TECHNOLOGY
(California Department of Technology)

(Continued)

PROJECT APPROVAL AUTHORITY

4819.34 (Cont. 1)

(Revised ~~16~~/201~~65~~)

Pursuant to the Cloud Computing policy (SAM Section 4983), Agencies/state entities must utilize Cloud SaaS services provided by the Office of Technology Services (OTech) whenever feasible. Additionally, COTS software services provided by OTech must be utilized whenever feasible. Agency/state entities must notify the Department of Technology of all COTS and SaaS acquisitions prior to project initiation as defined in Statewide Information Management Manual (SIMM) Section 22.

Group 3 – Agency/state entity Delegation for Non-Reportable Projects –

Approval authority for projects which are not classified as reportable is delegated to the Agency/state entity director. Agencies/state entities undertaking delegated projects are expected to employ appropriate project review, approval, and reporting procedures as specified in SAM Sections 4819.35 and 4819.36. See SAM Sections 4819.37 and 4819.39 for a list of reportable project criteria and a definition of delegated cost threshold.

Group 4 - Requested Delegation for Reportable Projects – An Agency/state entity with an acceptable Technology Recovery Plan and an Agency Information Management Strategy that has been approved by the Department of Technology may submit a Reporting Exemption Request (see SAM Section 4819.38) to the Department of Technology prior to the encumbrance or expenditure of funds, including the use of staff resources, on the project beyond the Stage 1 Business Analysis. The Department of Technology will review the form and notify the Agency/state entity whether it has been delegated approval authority for the proposed project. If delegation is not granted, the Agency/state entity must submit a Stage 2 Alternatives Analysis to the Department of Technology for approval.

[Delegated approval authority will not be granted to projects with procurements over the Agency/state entity's DGS Delegated Purchasing Authority that require STPD oversight.](#)

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SAM – INFORMATION TECHNOLOGY
(California Department of Technology)

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PROJECT APPROVAL AUTHORITY

4819.34 (Cont. 2)

(Revised ~~61~~/201~~56~~)

1. Among the factors considered by the Department of Technology in determining whether a project should be delegated are:
 - a. The apparent adequacy of the Agency/state entity's planning process;
 - b. The cost, scope, and complexity of the IT project;
 - c. The size and composition of project staff;
 - d. The Agency/state entity executive staff's project management experience;
 - e. The level of complexity and completeness of prior Project Approval Lifecycle documentation prepared by the Agency/state entity;
 - f. The number and complexity of previous IT projects attempted by the Agency/state entity;
 - g. The demonstrated ability of Agency/state entity project management staff to successfully monitor, control, and report progress during a complex undertaking; and
 - h. The Agency/state entity's past success in applying IT to attain goals on time and within budget and to realize expected objectives.
2. Delegation of approval authority will NOT normally be given for projects which:
 - a. Have significant statewide, interdepartmental, or intergovernmental impact;
 - b. Involve the establishment or use of nonstandard or extensive communication facilities;
 - c. Propose software or equipment acquisition expenditures that are large in relation to the Agency/state entity's IT budget;
 - d. Have the potential for involving new or unfamiliar technology;
 - e. Produce revenue for the state, such as licensing fees, tax collection, etc.;
 - ~~f.~~ f.g. Involve IT Acquisitions related to Reportable Projects that exceed the Agency/state entity's Department of General Services Delegated Purchasing Authority and require STPD oversight (as defined in SAM Section 4819.2) or
 - ~~g.h.~~ Depend upon decisions to be made during the development or enactment of the Governor's Budget, such as approval of a Budget Change Proposal or Budget Revision.

(Continued)

SAM – INFORMATION TECHNOLOGY
(California Department of Technology)

(Continued)

PROJECT APPROVAL AUTHORITY

4819.34 (Cont. 3)

(Revised 6/2015)

3. Splitting a project into smaller projects to avoid either fiscal or procedural controls is prohibited.
4. Agencies/state entities undertaking delegated projects are expected to employ appropriate project review, approval, and reporting procedures as specified in SAM Sections 4819.35 (Project Approval Lifecycle) and 4819.36 (Project Reporting/Oversight) below.
5. All IT projects are subject to audit. Documentation supporting project decisions must be kept by the Agency/state entity for a minimum of two years following approval of the Post-Implementation Evaluation Report (PIER). See SAM Sections [4947-4947.2](#).
6. The Department of Technology, at its discretion, may rescind previously delegated approval authority for individual projects or for all IT activities in progress or proposed by an Agency/state entity. The Department of Technology may require that project planning, design or implementation be halted or redirected.

The decision to rescind delegation will typically be based on review (audit) of the Agency/state entity's information management practices; review of a specific project; redefinition of the project; significant increases in project cost projections; major cost overruns; specific control language placed on expenditures through legislation (i.e., the Budget Act); identification of significant unresolved technical issues; or a change in the direction of state policy.

SAM – INFORMATION TECHNOLOGY
(California Department of Technology)

PROJECT APPROVAL LIFECYCLE

4819.35

(Revised [6/2015](#))

1. The mechanism for approving IT projects is the Project Approval Lifecycle (PAL). The PAL ensures projects are undertaken with a strong business case, clear business objectives, accurate costs, and realistic schedules.
2. PAL Stage/Gate deliverables, prepared in accordance with SAM Section 4922 through 4927, ~~must~~ must be approved for every IT project prior to the encumbrance or expenditure of funds on the project, including the use of staff resources, beyond project approval. Agencies/state entities are required to follow the SIMM Section 19 instructions for preparing and submitting the PAL Stage/Gate deliverables.
3. If, during project development or implementation, the Agency/state entity finds that program requirements cannot be adequately satisfied by the course of action described in the approved Stage 4 Project Readiness and Approval and that an alternative course of action is more appropriate, a Special Project Report (SPR) (SAM Sections [4945-4945.2](#) and [SIMM Section 30](#)) shall be prepared. No encumbrance or expenditure of funds, including the use of staff resources, shall be made to implement such change or alternative course of action until approval has been received from the Department of Technology, or from the Agency/state entity director if the Department of Technology has delegated approval of the project to the director and the project remains within the limitations of the Agency/state entity's delegated authority. SPRs that must be submitted to the Department of Technology must be transmitted within 30 days after recognition of the situation that necessitates preparation of the SPR. Agencies are required to follow the SIMM Section 30 instructions for preparing and submitting the SPR.

In the event an SPR approved by the Department of Technology results in a ~~project procurement that exceeds~~ the Department of General Services/Procurement Division (PD) dDelegated pPurchasing aA authority, ~~contract oversight (amendments, NCBs, on-going maintenance)~~ the procurement will be subject to the Department of Technology/Statewide Technology Procurement Division (STPD) approval. Refer to SCM Volume 3, Chapter 13. ~~Additionally, in the event project is still in the procurement phase, and the procurement was not delegated to the department by the Department of General Services/PD, project acquisition will transition to the Department of Technology/STPD.~~

4. Projects subject to approval by the Department of Technology (non-delegated projects) require submission of PAL Stage/Gate deliverables (beginning at the Stage 2 Alternatives Analysis through the Stage 4 Project Readiness and Approval) to the Office of the Legislative Analyst. See [SIMM Section 19](#).

(Continued)

**SAM – INFORMATION TECHNOLOGY
(California Department of Technology)**

(Continued)

PROJECT APPROVAL LIFECYCLE ~~FEASIBILITY STUDY REPORT~~

4819.35 (Cont. 1)

(Revised ~~6/2015~~6)

5. ~~The Department of Technology is responsible for policies and processes for IT procurement.—~~The Department of Technology's ~~Statewide Information Technology Procurement Division~~ will review the procurement planning information in the Stage 2 Alternatives Analysis, as applicable, to evaluate the proposed IT procurement strategy.
6. Projects whose approval has been delegated to the Agency/state entity's director normally require all PAL Stage/Gate deliverables to be ~~Stage 2 Alternatives Analysis and Stage 3 Solution Development, if applicable,~~ prepared in accordance with SAM Section 4928 and approval ~~of the Stage 2 Alternatives Analysis and Stage 3 Solution Development, if applicable,~~ by the Agency/state entity director (SAM Sections 4921 and 4927). A copy of the analysis, ~~and a signed document indicating approval by the Agency/state entity director,~~ must be on file in the Agency/state entity.
7. The Department of Technology may decide to review specifications in procurement documents before they are advertised to ensure that the specifications are consistent with the solution requirements and proposed architecture in the PAL Stage/Gate deliverables or SPR for the projects. See SAM Section 5211.

SAM – INFORMATION TECHNOLOGY
(California Department of Technology)

PROJECT REPORTING CRITERIA

4819.37

(Revised [6/1/2015](#))

Before encumbering or expending funds on, or dedicating staff resources to, any reportable project, the Agency/state entity must do the following:

(1) Obtain the California Department of Technology's (Department of Technology) approval for all projects that meet the following criteria:

1. Projects whose initiation depends upon decisions to be made during the development or enactment of the Governor's Budget, such as approval of a Budget Change Proposal or Budget Revision to increase the Agency/state entity's existing IT activities related to the project;
2. Projects that involve a new system development or acquisition that is specifically required by legislative mandate or is subject to special legislative review as specified in budget control language or other legislation;
3. Projects that have a cost that exceeds the level the Agency/state entity's delegated cost threshold assigned by the Department of Technology and do not meet the criteria of a desktop and mobile computing commodity expenditure (see SAM Section [4989 – 4989.3](#));
4. Projects that meet previously imposed conditions by the Department of Technology.

(2) Or obtain the Department of Technology's approval of a –Project Approval Lifecycle Reporting Exemption Request (PAL-RER) (see SAM Section 4819.38), with the subsequent approval of PAL Stage/Gate deliverables by the Agency/state entity director. An Agency/state entity must have a Technology Recovery Plan and an Agency Information Management Strategy that has been approved by the Department of Technology in order to submit [an](#) PAL-RER.

SAM – INFORMATION TECHNOLOGY
(California Department of Technology)

EXPENDITURES FOR ONGOING INFORMATION

TECHNOLOGY ACTIVITIES

4819.40

(Revised [61/20156](#))

Expenditures in support of an ongoing IT activity will normally not require Department of Technology approval provided that:

The activity meets the definition of previously approved project/effort as defined in SAM Section 4819.2:

Applicable activities include meeting modified needs, improving the effectiveness of the activity, program or system maintenance, or extension of existing services to new or additional users performing essentially the same functions as those that the project was designated to support. A previously approved effort/project must use substantially the same equipment, facilities, technical personnel, supplies and software to meet substantially the same requirements or to meet normal workload increases.

Qualification of an IT activity as a previously approved effort requires an approved FSR or [PAL Stage 4 Project Readiness and Approval](#) AND an approved Post Implementation Evaluation Report (PIER) in accordance with SAM section 4819.35.

Notes:

1. "Substantially the same equipment" does not include the addition, upgrade or replacement of a Mainframe.
2. Minor changes in functionality and/or equipment will normally meet the definition of previously approved effort/project. Significant changes in functionality and/or equipment that require budget actions do not meet the definition of previously approved effort/project.

Example: The Department of Justice maintains a system to enable the ownership registration of handguns. New legislation requires the addition of rifle registration to the system. This added functionality would not require Department of Technology approval.

Expenditures in support of activities not meeting the above criteria are considered to be new projects, not ongoing IT activities.

**SAM – INFORMATION TECHNOLOGY
(California Department of Technology)**

PROCUREMENT ~~REVIEW AND~~ CERTIFICATION

4819.41

(Revised ~~16/2015~~6)

~~1. Review of Formal IT Solicitations~~

~~Formal IT Solicitations as defined in the State Contracting Manual (SCM), Volume 3, Chapter 4, Section B1.0, must be reviewed by the Department of Technology prior to release to the public. Review of Informal IT Solicitations is delegated to Agencies/state entities. The following materials shall be included with the Formal IT Solicitation package:~~

- ~~a. A completed and signed *Formal Information Technology Solicitation Executive Approval Transmittal*, which is available in SIMM Section 28A.~~
- ~~b. All sections, appendices, attachments and exhibits comprising the Formal IT Solicitation.~~

~~—The Stage 2 Alternatives Analysis prepared in accordance with SIMM Section 19B.~~

- ~~c. The Stage 3 Solution Development prepared in accordance with SIMM 19C.~~

~~Review of Formal IT Solicitations is in addition to existing IT-related reporting and approval requirements. The instructions and time frame for submitting Formal IT Solicitations to the Department of Technology for review is specified in SIMM Section 05A.~~

~~For addenda focusing on Technical or Functional Requirements within the solicitation that are specific to the California IT Strategic Plan, alignment with the Statewide Enterprise Architecture, or alignment with IT reporting and approval requirements, the Department of Technology will collaborate with the issuing Agency/state entity, for delegated procurements, prior to release. All other addenda will only be reviewed by the issuing Agency/state entity, as appropriate. The time frame for submitting addenda will be determined in collaboration with the Department of Technology and the issuing Agency/state entity as appropriate.~~

(Continued)

SAM – INFORMATION TECHNOLOGY
(California Department of Technology)

(Continued)

PROCUREMENT ~~REVIEW AND~~ CERTIFICATION

4819.41 (Cont. 1)

(Revised ~~16/2016~~5)

~~Agencies/state entities shall not be relieved of responsibility for major scope deviations within the Formal IT Solicitations or addenda reviewed by the Department of Technology unless:~~

- ~~a. The Agency/state entity has specifically informed the Department of Technology, Information Technology Project Oversight Division (ITPOD) in writing of such major deviations at the time of submittal; and~~
- ~~b. The Department of Technology has given written approval of the specific deviation.~~

~~2. Certification for Information Technology Procurements~~

A signed certification of compliance with state IT policies is required for all IT procurements that cost \$100,000 or more and are in support of a development effort. Development is defined in SAM Section 4819.2 as "Activities or costs associated with the analysis, design, programming, data conversion, staff training, acquisition, and implementation of new IT applications." Procurements of hardware, software, and services (including interagency agreements) are included in this requirement.

~~—~~ A certification is not required for:

- a. Procurements for less than \$100,000;
- b. Procurements limited only to maintenance services;
- c. Procurements in support of previously-approved efforts. See SAM Section 4819.40;
- d. Procurement of services associated with the Project Approval Lifecycle, provided the services are limited to supporting or conducting the analysis and/or preparing the applicable Project Approval Lifecycle Stage/Gate deliverable (SAM Sections [4927](#) and [4928](#));or
- e. Procurements of excluded activities as described in SAM Section 4819.32.

The certification must be completed by the Agency/state entity that will directly utilize the procured goods or services, and the original signed certification must be included with the transmittal of the procurement package to the procurement Agency/state entity or authority. For audit and review purposes, a copy of the signed certification must be retained in the procurement file. The required format for the certification is provided in SAM Section 4832.

SAM – INFORMATION TECHNOLOGY
(California Department of Technology)

BUDGET CHANGE PROPOSALS

4819.42

(Revised ~~61/20156~~)

Budget Change Proposals (BCP) containing specified information technology (IT) components are reviewed by Department of Technology staff and an evaluation is provided to the Department of Finance Program Budget Manager responsible for review of the Agency/state entity's budget.

BCPs which request funding for IT projects must be consistent with the Agency/state entity's Agency Information Management Strategy (see SAM Sections [4900.1-4900.5](#)) and [the Conceptually Approved IT Project Proposals Report](#) ~~its IT Capital Plan~~ (see SAM Section [4904](#)). The BCP must be supported by an approved [Project Approval Lifecycle Stage/Gate deliverables](#) ~~Stage 2 Alternatives Analysis~~ (SAM Section 4928), or Special Project Report (SPR) (SAM Sections [4945-4945.2](#)) prior to approval of the funding request. In exceptional circumstances, with Department of Technology approval, the funding request may be supported by an approved [PAL](#) Reporting Exemption Request.

Project Approval Lifecycle Stage/Gate deliverables and SPRs must be submitted in the format and within the time frames specified in SAM, [SIMM](#), and [Technology Letters](#) issued by the Department of Technology. BCPs must be submitted in the format and within the timeframes specified in annual budget letters issued by Department of Finance. Incomplete or "placeholder" Stage/Gate deliverables or SPRs submitted for consideration with an associated BCP may be returned to the Agency/state entity without consideration.

SAM – INFORMATION TECHNOLOGY
(California Department of Technology)

CERTIFICATION OF COMPLIANCE WITH POLICIES
(Revised 6/2015)

4832

The SAM Section 4819.41 specifies that signed certifications of compliance with the state's information technology (IT) policies must be included with the transmittal of certain procurement packages to the procurement Agency/state entity or authority. The required format of the certification is provided in [SAM Section 4832, Illustration 1](#).

Signature Authority Certifications for procurements of \$100,000 or more MUST be signed by the Agency/state entity director or by a member of Agency/state entity management specifically designated by the director for this purpose.

As shown in 4832 Illustration 1, the certification must reference one of the following with respect to the justification and approval of the proposed procurement:

1. If the procurement is for a project approved by the Department of Technology, the project is currently under development, and the Post-Implementation Evaluation Report (PIER) has not yet been approved, provide the project number, the title, and approval date of the Stage 4 Project Readiness and Approval. If the procurement is the result of a non-reportable project, provide the project number, the title, and the date of the document indicating approval.

2. If the procurement is an Interagency agreement to procure services from a consolidated data center in support of multiple projects, it must be certified that: (1) the funding level is appropriate for the nature and scope of the services to be supplied; (2) the services are consistent with approved Project Approval Lifecycle (PAL) Stage/Gate deliverable and/or PIERs; and (3) project reporting for the various projects is current.

Submission of a PAL Stage/Gate deliverable to the Department of Technology or to the Agency/state entity director does not constitute project approval. Approval requires an approval letter from the Department of Technology or, for delegated projects, a document indicating approval by the Agency/state entity director or the director's designee.

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**SAM – INFORMATION TECHNOLOGY
(California Department of Technology)**

Certification Requirements

**CERTIFICATION OF COMPLIANCE WITH POLICIES
PURSUANT TO SAM SECTIONS 4819.41 AND 4832**

I hereby certify that I am the Agency/state entity director or designee; that the matters described herein are in compliance with the criteria and procedures for IT prescribed in SAM; any acquisitions of new or enhanced IT capabilities are consistent with project justification approved by the Department of Technology, myself or my designee; and that the foregoing statements are true to the best of my knowledge and belief.

_____	_____
(Date)	Signature and Title
	(Indicate Agency/state entity director or designee)

JUSTIFICATION AND APPROVAL REFERENCE INFORMATION

Department of Technology approved ~~FSR or~~ Project Approval Lifecycle Stage/Gate deliverables

_____	_____
Department of Technology Project #	Approval Date

Agency/state entity approved ~~FSR or~~ Project Approval Lifecycle Stage/Gate deliverables

_____	_____
Agency/state entity Project #	Approval Date

DMCP

_____	_____
DMCP #	Approval Date

Rev. 430

4832 Illustration 1

(Updated ~~June~~ January 20156)

**SAM – INFORMATION TECHNOLOGY
(California Department of Technology)**

Project Title

Data Center IAA

This is an interagency agreement to procure services from a consolidated data center it involves multiple projects, the funding level is appropriate, and the nature and scope of services to be supplied by the data center are consistent with the various approved ~~FSRs or~~ Project Approval Lifecycle Stage/Gate deliverables and PIERs of this Agency/state entity, and the required project reporting associated with each active project is current.

Rev. 430

4832 Illustration 1

(Updated ~~June~~ January 20156)

SAM – INFORMATION TECHNOLOGY
(California Department of Technology)

STATUTORY REFERENCES

4851

(Revised ~~16~~/201~~56~~)

Chapter 834, Statutes of 2006 (SB 834) created the Office of the State Chief Information Officer (OCIO), and its responsibilities were expanded via Chapter 183, Statutes of 2007 (SB 90) as described in Government Code Sections [11545](#) and [11546](#).

Chapter 404, Statutes of 2010 (AB 2408), renamed the OCIO the California Technology ~~Agency~~ [\(Agency](#) Technology Agency) and transferred the responsibilities of the OCIO to the Technology Agency.

Chapter 352, Statutes of 2013 (AB 1317) abolished the California Technology Agency and transferred its responsibilities and authority to the California Department of Technology [\(Department of Technology\)](#) within the newly-created Government Operations Agency. (GRP 2, 2012)

SAM – INFORMATION TECHNOLOGY
(California Department of Technology)

TRAINING AND EMPLOYEE DEVELOPMENT

4854

(Revised ~~16/2015~~6)

General Philosophy. The Department of Technology recognizes that training and employee development is primarily a responsibility of line management. The identification of needs, establishment of priorities, and implementation of training clearly reside with the discretion of each Agency/state entity. These guidelines relate to technical IT training since management training and development and other general training activities are often intermixed with broader Agency/state entity goals. The following statements of policy are intended to facilitate these key objectives.

Policy. Employee training and employee development are the responsibility of each Agency/state entity. Within an Agency/state entity, line management is responsible for identification of needed skills, development and implementation of a training plan and establishment of priorities.

Training Coordinator. Agencies/state entities should appoint a training coordinator to assist line management in inventorying employee skills, assessing training needs and developing a training schedule. This may be a person in the Agency/state entity training office or a person in the IT organization.

Additional responsibilities of the training coordinator will be to act as liaison with other Agencies/state entities for the purpose of joint or coordinated training efforts.

Training Plans. The dynamic field of IT requires continuous upgrading of skill in order to remain abreast of rapidly changing technology. Because of technological changes and evolving personnel needs, it is imperative that Agencies/state entities have a plan that will ensure that skills required by the Agency/state entity are developed in an orderly fashion. Management should be aware of the extent to which the effectiveness of their programs ~~are~~is dependent upon the technical skills of their staff.

Training Priorities. It is recommended that priority be given to development of those skills necessary in the effective performance of each person's current position. After essential needs are met, career-related training needs may be addressed.

Source of Training. Agencies/state entities should assess their training needs and attempt to satisfy their needs through the most cost-beneficial source. Some training alternatives are: on-the-job training; development of in-house training; cooperative training programs with other Agencies/state entities; training programs through the state data centers; Agency/state entity group contracts with outside vendors; and attendance of one or more employees at an outside vendor's training class. The Department of Technology encourages close coordination and cooperation between Agencies/state entities.

Out-Service Training Needs. Agencies/state entities should make every effort to identify those skills areas where they anticipate the need to contract for training with outside vendors. These needs should be outlined in their training plans. Inclusion in the preliminary plans will provide an opportunity to determine whether comparable training may be made available through a more cost-effective source or whether these needs might be coordinated with the needs of other Agencies/state entities.

**SAM – INFORMATION TECHNOLOGY
(California Department of Technology)**

PROJECT APPROVAL LIFECYCLE PROCESS

4927

(Revised ~~16~~/201~~56~~)

Each Agency/state entity must follow a systematic, analytical process for evaluating and documenting the analysis of proposed IT projects, as defined in SAM Section [4819.2](#).

This process ~~must~~ includes:

1. Developing an understanding of a problem (or opportunity) in terms of its effect on the Agency/state entity's mission and programs;
2. Developing an understanding of the organizational, managerial, and technical environment within which a response to the problem or opportunity will be implemented;
3. Establishing programmatic and administrative objectives against which possible responses will be evaluated;
4. Preparing concise solution requirements of an acceptable response;
5. Identifying and evaluating possible alternative responses with respect to the established objectives;
6. Preparing a financial analysis for each alternative that meets the established objectives and solution requirements;
7. Selecting the alternative that is the best response to the problem or opportunity;

8. Developing a solicitation package that will result in the selection of qualified vendors;

9. Developing a contract by which the State and the vendor can effectively leverage to achieve project objectives and outcomes;

~~8.~~10. _____ P
reparing a management plan for implementation of the proposed response; and

~~9.~~11. _____ D
ocumenting the results of the study in the form of Project Approval Lifecycle Stage/Gate deliverables, as specified in SAM Section 4928.

**SAM – INFORMATION TECHNOLOGY
(California Department of Technology)**

PROJECT APPROVAL LIFECYCLE STAGE/GATE DELIVERABLES

4928

(Revised 10/2015)

The Project Approval Lifecycle (PAL) Stage/Gate deliverables, here and after referred to as “deliverables”, must provide an accurate summary of the results of each Stage/Gate analysis. The deliverables must provide a complete summary of the results of the analysis and establish the business case for investment of state resources in a proposed project by setting out the reasons for undertaking the project and analyzing its costs and benefits. The PAL Stage/Gate model includes the following deliverables:

Stage 1 Business Analysis: Provides a basis for project management, program management, executive management, and state-level control agencies to understand and agree on business problems or opportunities, and the objectives to address them. In order to evaluate a Stage 1 Business Analysis, the Department of Technology must fully understand the business justification. Therefore, each proposal must describe in detail the business driver(s), statutes or legislation, program background and context, business problems or opportunities, strategic business alignment, organizational readiness, and business and stakeholder impact. Additionally, the Stage 1 Business Analyses are used to generate the quarterly Conceptually Approved IT Project Proposals Report which represents the Executive Branch's plan for IT investments in support of the California IT Strategic Plan.

Stage 2 Alternatives Analysis: Provides a basis for how the proposal's business objectives will be achieved, the evaluation of multiple alternative solutions, determines which alternative will yield the highest probability of meeting the business objectives, and to develop an acquisition strategy/plan for procuring services. In order to evaluate a Stage 2 Alternatives Analysis, the Department of Technology must fully understand how the selected alternative will best achieve the proposed project's business objectives. Each proposal must provide sufficient detail to describe the baseline processes, mid-level solution requirements, alternative solutions, recommended solution, procurement strategy and staffing considerations. This deliverable must also include a financial analysis of the life cycle costs, benefits and source of funding of the proposed project and the costs and benefits of the current method of operation during the life cycle of the project.

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**SAM – INFORMATION TECHNOLOGY
(California Department of Technology)**

(Continued)

PROJECT APPROVAL LIFECYCLE STAGE/GATE DELIVERABLES 4928 (Cont. 1)

(Revised ~~6~~1/201~~5~~6)

Stage 3 Solution Development: Provides a basis for how the project will mature mid-level solution requirements into clearly defined and detailed solution requirements, develop solicitations to acquire solutions that best meet business objectives and yield the highest probability of success. In order to evaluate a Stage 3 Solution Development, the Department of Technology must fully understand the procurement methodology, approach and selection criteria to obtain a value effective solution. Each proposal must provide sufficient detail to describe the procurement profile, solution requirements, evaluation criteria, cost and payment model, negotiation strategy, statement of work, and staffing plan. ~~confirmation of the solution requirements needed to achieve the business objectives and development of the Request for Proposal (RFP) for the acquisition of services if needed.~~

Stage 4 Project Readiness and Approval: Provides confirmation of project scope, resources (internal and external), and cost in support of requesting solution funding and project readiness to proceed with implementation.

PAL Stage/Gate deliverables must be submitted to the California Department of Technology (Department of Technology), and to the Office of the Legislative Analyst, and to the Department of Finance's Information Technology Consulting Unit. Deliverables must be submitted in a format specified by the Department of Technology and signed by the Agency/state entity director or his/her designee. The Department of Technology publishes detailed instructions and guidelines for Agency/state entity use in preparing deliverables. A copy of the instructions, guidelines, and required forms is available in [SIMM Section 19](#). The instructions and guidelines specify the MINIMUM amount of information necessary for the Department of Technology's approval.

The Agency/state entity must maintain sufficient documentation of each analysis to ensure that project participants, Agency/state entity management, and control agency personnel can resolve any questions about the intent, justification, nature, and scope of the project.

**SAM – INFORMATION TECHNOLOGY
(California Department of Technology)**

INTRODUCTION

4982

(Revised [6/2015](#))

Government Code Section [11534](#) and [11790](#) define two consolidated data centers in state government: 1) the Hawkins Data Center in the Department of Justice, and 2) the [Office of Technology Services in the California Department of Technology-Government Operations Agency](#). Other data processing centers are considered single-Agency/state entity, dedicated-use data processing centers rather than consolidated data processing centers. All data centers shall adhere to the following center policies.

INTRODUCTION

4983

(Revised ~~6~~1/201~~5~~6)

In recent years, Cloud Computing has emerged as an important solution for cost effective and reliable delivery of IT services. Cloud Computing will play a major role in improving the delivery of government services in the State of California.

To harness the benefits of Cloud Computing, Agencies/state entities shall adopt a “Cloud First” policy. This policy is intended to accelerate the pace at which the Agencies/state entities will realize the benefits of cloud computing while adequately addressing relevant statutory and policy requirements associated with State IT systems, including information security and risk management, privacy, legal issues, and other applicable requirements. ~~As such, Agencies/state entities must evaluate Cloud Computing as an alternative for all reportable and non-reportable IT projects.~~

~~The Office of Technology Services (OTech) provides efficient, flexible, and secure cloud services.~~ Whenever feasible, Agencies/state entities must utilize cloud services provided by the ~~Office of Technology Services (OTech)~~. If required services are not available through OTech, Agencies/state entities must utilize other commercially available Software as a Service (SaaS), Platform as a Service (PaaS), or Infrastructure as a Service (IaaS) cloud service models when feasible and cost effective. Additionally, Agencies/state entities must utilize the Department of General Services’ Cloud Computing Services Special Provisions when procuring commercial cloud services.

(Reviewed ~~61~~/201~~56~~)

As part of the Cloud First policy, each Agency/state entity shall:

1. Evaluate, in consultation with their IT organization, secure cloud computing ~~solution options for~~ alternatives for all ~~new~~-reportable and non-reportable IT projects.
2. Use a cloud service model, i.e., Cloud Software as a Service (SaaS), Cloud Platform as a Service (PaaS), or Cloud Infrastructure as a Service (IaaS), for all new reportable and non-reportable IT projects whenever a feasible and cost effective solution is available that meets the Agency/state entity requirements, and provides the required level of security, performance and availability, and is consistent with the factors described in SAM 4981.1.
3. Use cloud services provided through the Office of Technology Services (OTech) as the first choice when implementing cloud computing solution for all new IT projects. If required services are not available through OTech, use other commercially available SaaS, PaaS or IaaS solutions.
4. ~~If using a~~ Use commercially available SaaS services ~~model~~ provided through OTech as the first choice for, ~~utilize it for~~ commodity applications such as ~~office common~~ productivity ~~tools~~ software, email* (including tools that integrate with email), virtual desktop, customer relationship management, human resources management, ~~finance~~ ial, project management, open data, and inventory management (refer to National Institute of Standards and Technology (NIST) Special Publication 800-146 for candidate SaaS application classes). If required services are not available through OTech, use other commercially available SaaS solutions. Use a PaaS or an IaaS service model for all other application categories when feasible.

*Per Chapter 404, Statutes of 2010 (Assembly Bill 2408), all Agencies/state entities within the executive branch that are under the direct authority of the Governor must consolidate to the state's shared e-mail solution.

- 4.5. _____ Classify the data managed by the applications that utilize cloud service models in accordance with SAM 5305.5.
- 5.6. _____ Ensure compliance with the security provisions of the SAM (Chapters 5100 and 5300) and the SIMM (Sections 58C, 58D, 66B, 5305A, 5310A and B, 5325A and B, 5330A, B and C, 5340A, B and C, 5360B).
- 6.7. _____ Based on data classification pursuant to SAM 5305.5, ensure compliance with relevant security provisions including those in the California Information Practices Act (Civil Code Section 1798 et seq.), Internal Revenue Service (IRS) Publication 1075, Social Security Administration (SSA) Electronic Information Exchange Security Requirements, Payment Card Industry Data Security Standard (PCI DSS) including the PCI DSS Cloud Computing Guidelines, Health Insurance Portability and Accountability Act (HIPAA) Security Rule, Health Information Technology for Economic and Clinical Health (HITECH) Act, and Criminal Justice Information Services (CJIS) Security Policy.

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POLICY

4983.1 (Cont. 1)

(Revised ~~61~~/201~~56~~)

- ~~7~~.8. Ensure appropriate level of compliance with the Federal Risk and Authorization Management Program (FedRAMP) certification for all IT projects using commercial cloud solutions where federal funding is involved.
- ~~8~~.9. Ensure that the commercial cloud service provider's Standards for Attestation Engagements No. 16 Service Organization Control (SOC) 2 Type II report along with the cloud service provider's plan to correct any negative findings is available to the Agency/state entity.
- ~~9~~.10. Ensure that the confidential, sensitive or personal information is encrypted in accordance with [SAM 5350.1](#) and [SIMM 5305-A](#), and at the necessary level of encryption for the data classification pursuant to [SAM 5305.5](#).
- ~~10~~.11. Ensure that written agreements with cloud service providers address SAM 5305.8 provisions, and SaaS service agreements include the Department of General Services' Cloud Computing Services Special Provisions.
- ~~11~~.12. Ensure that the physical location of the data center where the data is stored is within the continental United States, and remote access to data from outside the continental United States is prohibited unless approved in advance by the State Chief Information Security Officer.
- ~~12~~.13. Maintain an exit strategy for IT projects that utilize a commercially available SaaS service model. The exit strategy includes the Agency's/state entity's ability to export data in pre-defined formats and maintaining, when needed, a current backup of the data in the Tier III-equivalent data center facility designated to the Agency/state entity by [SAM 4982.1](#) and unrelated to the cloud provider.
- ~~13~~.14. Maintain an effective incident response and mitigation capability for security and privacy incidents in accordance with [SAM 5340](#). Report suspected and actual security incidents in accordance with the criteria and procedures set forth in SIMM 5340-A and other applicable laws and regulations.

**SAM – INFORMATION TECHNOLOGY
(California Department of Technology)**

(Continued)

POLICY

4983.1 (Cont. 1)

(Revised 6/2015)

8. Ensure appropriate level of compliance with the Federal Risk and Authorization Management Program (FedRAMP) certification for all IT projects using commercial cloud solutions where federal funding is involved.
9. Ensure that the commercial cloud service provider's Standards for Attestation Engagements No. 16 Service Organization Control (SOC) 2 Type II report along with the cloud service provider's plan to correct any negative findings is available to the Agency/state entity.
10. Ensure that the confidential, sensitive or personal information is encrypted in accordance with [SAM 5350.1](#) and [SIMM 5305-A](#), and at the necessary level of encryption for the data classification pursuant to [SAM 5305.5](#).
11. Ensure that written agreements with cloud service providers address SAM 5305.8 provisions, and SaaS service agreements include the Department of General Services' Cloud Computing Services Special Provisions.
12. Ensure that the physical location of the data center where the data is stored is within the continental United States, and remote access to data from outside the continental United States is prohibited unless approved in advance by the State Chief Information Security Officer.
13. Maintain an exit strategy for IT projects that utilize a commercially available SaaS service model. The exit strategy includes the Agency's/state entity's ability to export data in pre-defined formats and maintaining, when needed, a current backup of the data in the Tier III-equivalent data center facility designated to the Agency/state entity by [SAM 4982.1](#) and unrelated to the cloud provider.
14. Maintain an effective incident response and mitigation capability for security and privacy incidents in accordance with [SAM 5340](#). Report suspected and actual security incidents in accordance with the criteria and procedures set forth in SIMM 5340-A and other applicable laws and regulations.

SAM – INFORMATION TECHNOLOGY
General Procurement Procedures: Procurement of Goods and Services

CHAPTER 5200 INDEX

(Department of General Services–Procurement)

INTRODUCTION	5200
RESPONSIBILITIES AND AUTHORITY	5200.5
DEPARTMENT OF TECHNOLOGY REVIEW OF PROCUREMENT DOCUMENTS	5211
UNIFORM STANDARDS	5230
ACQUISITION PLANNING	5230.1
ACQUISTION PHASE	5230.2
POST-AWARD ACTIVITY	5230.3
PRINCIPLES FOR IT PROCUREMENT	5230.4
PUBLIC POLICY CONSIDERATION	5230.5
EXEMPTION	5230.6
LEVERAGED PROCUREMENT AGREEMENTS	5291

SAM – INFORMATION TECHNOLOGY
General Procurement Procedures: Procurement of Goods and Services

INTRODUCTION
(Revised 11/06)

5200

This chapter provides policy direction applicable to information technology (IT) procurements pursuant to Public Contract Code section [12100](#) et seq. IT as defined in SAM Sections [4819 through 4819.42](#) includes telecommunications goods and services.

SAM – INFORMATION TECHNOLOGY
General Procurement Procedures: Procurement of Goods and Services

RESPONSIBILITIES AND AUTHORITY

5200.5

(Revised ~~13/2015~~⁶)

The Department of Finance ([Finance](#)) is responsible for review and approval of ~~IT~~ [funding related to IT](#) project ~~proposals and their associated funding proposals.~~ ~~Departments must obtain required approval as appropriate before an IT procurement cycle may begin.~~

The Department of General Services (DGS) has statutory [authority in the determination of IT Procurement Policy and Procedures and](#) responsibility for [the procurement acquisition](#) of all IT goods and services [not associated with reportable IT projects \(over the DGS Delegated Purchasing Authority\), unless otherwise specified by the California Department of Technology.](#) The DGS is responsible for, ~~including~~ approval of the acquisition methods used ~~and~~ the establishment and interpretation of related procedures. The Procurement Division (PD) was established within the DGS to provide oversight, guidance, and direction to departments in all aspects of IT procurements [that are not associated with reportable IT projects \(over the DGS Delegated Purchasing Authority\).](#) ~~Departments are required to participate during the procurement process.~~

[The DGS also has statutory authority to delegate IT purchasing authority to those departments demonstrating the capability to make purchases that adhere to State statutes, regulations, policies, and procedures. This program is described in SCM Volume 3.](#)

The California Department of Technology ([Department of Technology](#)) ~~is responsible for~~ [has statutory authority to establish and enforce IT policies.](#) The Department of Technology's authority extends to the acquisition of project-related IT procurements [related to reportable \(non-delegated\) projects](#) ~~IT Procurement Policy which is defined as what is to be purchased and by whom within any agency or department.~~ [The Statewide Technology Procurement Division \(STPD\) was established within the Department of Technology to provide oversight, guidance, and direction to departments in all aspects of reportable IT project procurements.](#) ~~Departments must obtain required approval as appropriate before an IT procurement cycle commences.~~

~~The DGS is responsible for the overarching procurement policy that sets forth the methods and procedures to be used to procure all goods and services in the State, including IT goods and services.~~

Pursuant to Public Contract Code section [12104\(a\)](#), the DGS/PD [and Department of Technology/STPD](#) ~~has established and manage~~ the State Contracting Manual ([SCM](#)), [Volume 3. SCM Volume 3 which](#) contains IT acquisition policies, procedures, and methods, ~~and is available on the Internet at~~

SAM – INFORMATION TECHNOLOGY
General Procurement Procedures: Procurement of Goods and Services

<http://www.dgs.ca.gov/pd/Resources/publications/SCM3.aspx>. The DGS/PD, Office of Policies, Procedures and Legislation (OPPL), is the entity responsible for the development, implementation, and maintenance of SCM Volume 3.

~~The DGS also has statutory authority to delegate IT purchasing authority to those departments demonstrating the capability to make purchases that adhere to State statutes, regulations, policies, and procedures. This program is described in SCM Volume 3.~~

For additional information regarding requirements for reporting the purchase of goods and services, see Management Memo [MM15-02](#).

SAM – INFORMATION TECHNOLOGY
General Procurement Procedures: Procurement of Goods and Services

**DEPARTMENT OF TECHNOLOGY REVIEW OF
PROCUREMENT DOCUMENTS**

5211

(Revised ~~16/2016~~⁵)

The California Department of Technology (Department of Technology) [Information Technology Project Oversight Division \(ITPOD\)](#) may decide to review specifications in procurement documents before they are advertised to ensure that the specifications are consistent with the requirements and specifications identified in the Project Approval Lifecycle Stage/Gate deliverables ([see SIMM Section 19](#)) or Special Project Reports ([SPR](#)) for the projects. The Department of Technology's decision to review procurement documents will be based on whether it believes a project requires special oversight during the procurement process. Procurement documents that the Department of Technology determines are subject to its oversight under this section may not be released until the Department of Technology has approved their release.

SAM – INFORMATION TECHNOLOGY
General Procurement Procedures: Procurement of Goods and Services

UNIFORM STANDARDS

5230

(New 06/07)

Uniform standards are applicable to acquisitions of IT goods and/or services pursuant to Public Contract Code section [12100](#) et seq., regardless of dollar amount, type of IT goods/services, and acquisition approach. The following standards shall apply throughout the IT procurement process:

- Acquisitions shall be conducted in a manner consistent with applicable laws, regulations, policies, and procedures.
- Acquisitions shall be conducted to advance the public policy purpose of the State program that the technology will serve.
- Acquisitions shall be conducted in a professional manner that promotes direct, straightforward, and cooperative communication with the supplier community.
- Contracting opportunities shall be enhanced, whenever possible, for eligible certified small businesses and Disabled Veteran Business Enterprises (DVBES).
- Acquisitions and projects shall comply with Americans with Disabilities Act ([ADA](#)) requirements.
- New systems should be conceived in terms of a solution.
- Regardless of the acquisition approach, the procurement process shall consist of three stages:
 - Acquisition Planning
 - Acquisition Phase
 - Post-award Activity

SAM – INFORMATION TECHNOLOGY
General Procurement Procedures: Procurement of Goods and Services

ACQUISITION PLANNING

5230.1

(~~New Revised 0601/0716~~)

Elements of the Acquisition Planning stage include:

- Defining the program need
- Assessing operational needs
- [Selecting the acquisition method](#)
- [IT General Provisions \(GSPD 401-IT\)](#)
- ~~Selecting the acquisition method~~
- Obtaining approvals

1. Defining the Program Need

For all IT acquisitions, these steps shall be followed:

- Define the business need that solutions are to address.
- Determine whether the acquisition is justified.
- Verify that the goods and/or services to be acquired are IT.

—Additional issues and requirements for defining the need are discussed in Chapter 1 of [SCM Volume 3](#).

In planning a new IT system procurement the focus should be towards a “solution” approach so that the State may consider and select from a potential array of IT goods and/or services to meet the public policy and business needs of a State program, rather than specifying a particular product design.

2. Assessing Operational Needs

In assessing operational needs, these steps shall be followed:

- Consider fiscal and budgetary issues.
- Assess the timeframe in which the acquisition must be completed and determine the schedule for delivery and/or implementation.
- Assess the impact on physical facilities.
- Consider the risks associated with the procurement and the goods and/or services to be acquired.
- Consider risk protection strategies that will both protect the State and encourage competition.
- Determine whether there are available sources of the goods and/or services to be acquired (including existing State sources and contracts), and whether there is competition in the marketplace.

Additional issues and requirements for defining the need are discussed in Chapter 1 of SCM Volume 3.

(Continued)

SAM – INFORMATION TECHNOLOGY
General Procurement Procedures: Procurement of Goods and Services

(Continued)

ACQUISITION PLANNING

5230.1 (Cont. 1)

(~~New Revised 0601/1607~~)

3. Selecting the Acquisition Method

In selecting the acquisition method, these rules shall be followed:

- Use competitive means in all instances, unless the NCB process, emergency process, or an existing source is used in acquisitions of \$5,000 or more. Requirements are in Chapter 3 of SCM Volume 3.
- Assess whether the acquisition can be made through existing sources, such as Leveraged Procurement Agreements (See SAM 5291), community-based rehabilitation programs, interagency agreements, or State surplus. See Chapter 1 of SCM Volume 3 for additional information.

4. IT General Provisions (GSPD 401-IT)

The State's IT General Provisions (GSPD-401IT, as applicable) shall be used or incorporated by reference in all competitive solicitations and purchase documents for IT goods and services (written or verbal) valued in excess of \$4,999.99 (See SCM Volume 3). Under certain circumstances, the IT General Provisions associated with Reportable Projects (non-delegated), may be modified to meet project specific needs. These modifications are in addition to the supplemental language that may be added to the Statement of Work modifying certain sections of the IT General Provisions. All such modifications are to be approved by the California Department of Technology Statewide Technology Procurement Division (STPD) and Legal Services Division, before the contract may be considered valid and final.

45. Obtaining Approvals

For many IT acquisitions, it is necessary to obtain approvals before starting the procurement process. These approvals shall be obtained, as applicable, before releasing solicitation or purchase documents:

- Verify the authority to initiate the acquisition and to sign the resulting purchase document.
- Obtain and/or verify necessary approvals or delegated authority from the following Control Agencies: Department of Finance (DOF), California Department of Technology and/or Department of General Services (DGS).
- If the acquisition involves telecommunications goods and/or services, verify necessary authority or approvals from the DGS Telecommunications Division (TD) or the Department Office of Technology Services (DTSOTech), Statewide Telecommunications and Network Division (STND).
- If the acquisition is being conducted via the NCB process or requires DGS approval of an IT Procurement Plan (ITPP) Control Agency approval, verify there is an approved NCB request and/or ITPP Project Approval Lifecycle Stage 3

SAM – INFORMATION TECHNOLOGY

General Procurement Procedures: Procurement of Goods and Services

Solution Development deliverable prior to releasing solicitation or purchase documents.

- If the acquisition is being conducted using a Request for Proposals (RFP) procurement method-solicitation, -document verify there is an approved procurement request and/or Project Approval Lifecycle Stage 3 Solution Development deliverable, prior to release of the RFP-procurement must be reviewed by the DGS Office of Legal Services.

Further details on required approvals are contained in Chapter 1 of SCM Volume 3 and SIMM 19C.

SAM – INFORMATION TECHNOLOGY
General Procurement Procedures: Procurement of Goods and Services

ACQUISITION PHASE

5230.2

(~~New Revised 0106/1607~~)

The Acquisition Phase is when the acquisition is conducted. Acquisitions shall be conducted in a manner that complies with State policies and meets the State's needs. In conducting acquisitions, the State shall follow these requirements:

- Acquisition documents shall clearly set forth the rules and authority governing the acquisition.
- Competitive solicitation documents shall clearly set forth the:
 - Business and technical requirements
 - Evaluation methodology to be used
 - Applicable protest procedures
 - Contract award procedures
- If the acquisition is for a personal services contract pursuant to Government Code §19130(a), the acquiring department must notify the State Personnel Board pursuant to Government Code §[19131](#) prior to contract execution.
- Protests shall be handled in a manner consistent with law, regulation and policy. Requirements for protests are in Chapter 6 of [SCM Volume 3](#).

Various chapters of SCM Volume 3 spell out requirements and procedures for specific acquisition approaches and methods. [See SIMM 19C for additional requirements and procedures for reportable IT projects.](#)

SAM – INFORMATION TECHNOLOGY
General Procurement Procedures: Procurement of Goods and Services

POST-AWARD ACTIVITY

5230.3

(~~New Revised 0601/1607~~)

Post-award Activity includes elements such as contract management, project management, and reporting. Effective contract and project management ensures that the State and its contractors honor their agreements and deal with one another in good faith. Following the award of the contract, the acquiring department shall:

- Adhere to the provisions of the contract and comply with statutory requirements, policies and procedures.
- Enforce contractual requirements.
- Follow plans for project management and risk management, if applicable.
- Manage implementation of the goods and/or services in accordance with the level of project oversight directed by [the California Department of Technology](#) [DOF](#).
- Fulfill all reporting requirements.

[SCM Volume 3](#) contains additional information related to Post-award Activity.

SAM – INFORMATION TECHNOLOGY
General Procurement Procedures: Procurement of Goods and Services

PUBLIC POLICY CONSIDERATION

5230.5

| (~~New Revised 0106/0716~~)

Consideration shall be given to each of the following priorities to advance public policy for IT procurements:

- Business need
- | ▪ Business requirements (~~necessary~~ mandatory or desirable)
- Functionality
- IT environment

SAM – INFORMATION TECHNOLOGY
General Procurement Procedures: Procurement of Goods and Services

LEVERAGED PROCUREMENT AGREEMENTS

5291

(Revised ~~4401/1606~~)

There are instances when many State departments require goods or services to perform essentially the same functions. Individual procurements would require duplicative effort and extend lead times.

Leveraged Procurement Agreements ([LPAs](#)) combine State departments' requirements for the same items or similar items thus providing standardization and leveraging the State's buying power. LPAs also enable streamlined purchases by removing repetitive, resource intensive, costly and time consuming solicitation processes by departments.

Types of LPAs include Master Agreements, [IT Master Agreement \(ITMSA\)](#), Statewide Contracts, State Price Schedules, Software Licensing Programs ([SLP](#)), ~~and~~ the California Multiple Award Schedules ([CMAS](#)), and [Cooperative Agreement \(WSCA\)](#). Unless identified as a mandatory contract, the use of LPAs is optional. State departments must have approved purchasing authority for the applicable LPA category in order to place orders against an agreement in that category.

SAM—MISCELLANEOUS ACCOUNTING PROCEDURES

BILLING FOR SERVICES OF EMPLOYEES PAID ON MONTHLY BASIS

8740

(Revised 1/20156)

~~Below is the~~ This section provides the methodology and formula for determining the hourly billing rates when a department bills for the services of employees paid on a monthly basis on or after January 1, 20156. As outlined below, the hourly billing rate is computed using the total actual working time per year and the state's staff benefit contribution percentage.

Total actual working time per year is determined by deducting ~~The~~the number of hours ~~to be deducted~~ for Saturdays, Sundays, holidays, and ~~the state contribution for staff benefits are provided~~ other absences from total hours for the calendar year. To determine other absences, departments will compile and average absences such as ~~V~~vacation leave, annual leave, personal leave program, sick leave, bereavement leave, informal time off, jury duty leave, military leave, furlough leave, and professional development leave. ~~will be compiled and averaged by the department for this computation.~~

This formula only provides billing for hours actually worked. The formula does not include an amount for such costs as identifiable operating expenses incurred in rendering the service, charges for other than incidental use of equipment, overhead, and other costs. In addition, Workers' Compensation, Industrial Disability, Unemployment Compensation, and Life Insurance benefits are not included in the formula since these expenses can vary substantially among departments. However, such costs should be included in billing for services in accordance with SAM sections 8752.1 and 8758.

HOURLY BILLING RATE CALCULATIONS S – TOTAL ACTUAL WORKING TIME PER YEAR

CALENDAR YEAR	3656 days x 8 hours =	29208 hrs.
LESS DEDUCTIONS		
Saturdays	523 days x 8 hours	416424
Sundays	=	hrs.
Holidays:		
New Year's Day		
Martin Luther King Jr. Day		
President's Day		
Cesar Chavez		
Day Memorial		
Day	12 days x 8 hours =	96 hrs.
Independence		
Day Labor Day		
Veteran's Day		
Thanksgiving		
Day		
Day After		

SAM—MISCELLANEOUS ACCOUNTING PROCEDURES

Other Absences (averages):

Vacation/Annual Leave*
Personal Leave Program
(PLP)* Miscellaneous – Sick,
Bereavement, Informal Time
Off, Jury Duty, Military,
Furlough Off,

(Continued)

SAM—MISCELLANEOUS ACCOUNTING PROCEDURES

(Continued)

**BILLING FOR SERVICES OF EMPLOYEES PAID ON
MONTHLY BASIS**

8740 (Cont. 1)

(Revised 1/2015~~6~~)

Subtotal of Other Absences
(Vacation, PLP, and Miscellaneous)

TOTAL DEDUCTIONS
(include all amounts calculated under Deductions)

TOTAL ACTUAL WORKING TIME PER YEAR
(2920~~8~~ hrs. less Total Deductions)

*Statewide data is not available. Each department, based on previous experience and expertise, must compile the information for Other Absences. Remember to calculate a separate average for each type of Other Absences (i.e. average vacation/annual leave, average PLP, and average miscellaneous absences).

STATE'S STAFF BENEFIT CONTRIBUTION PERCENTAGES

(Effective January 1, 2015~~6~~)

Employee's Retirement	24.28 <u>25.15</u>
OASDI	6.20
Medicare	1.45
Health, Vision, and Dental Benefits	14.61 <u>14.45</u>
Total Percent	46.54 <u>47.25</u> ^{1/}

(Continued)

SAM—MISCELLANEOUS ACCOUNTING PROCEDURES

(Continued)

BILLING FOR SERVICES OF EMPLOYEES PAID ON MONTHLY BASIS

8740 (Cont. 2)

(Revised 1/2015~~6~~)

FORMULA FOR CALCULATING THE HOURLY BILLING RATE:

(Monthly Salary Rate x ~~1.4654~~1.4725) divided by
("Total Actual Working Time per Year" divided by 12)

Note: Monthly Salary Rate should be adjusted as necessary to reflect (average) salary reductions for PLPs and furloughs.

Formula for calculating daily rate for 2,000 hours or less per year:

The number of working hours per month is not appropriate for employees not expected to work 2,000 hours per year, less vacation and sick leave. In such instances, an estimate of actual working time per month or year, considering average holiday, vacation, and sick leave should be used. For example, billing rates for academic year employees, such as college instructors, would be computed on the basis of the number of workdays in a year, less the average of sick leave usage. (Holidays and vacation are not considered in this instance since they are considered in determining the number of working days.)

Daily Rate = (Annual Salary Rate x ~~1.4654~~1.4725) divided by (Working Days per Year - Average Sick Leave Days Used per year)

Hourly Rate = Daily Rate divided by 8

1/Note: The ~~46.54~~47.25 percent rate is applicable only to employees who are Miscellaneous Tier 1 members of the Public Employees' Retirement System. For those employees who are not Miscellaneous Tier 1 members, but who still belong to Social Security, their appropriate retirement contribution rate will be substituted for the ~~24.28~~25.15 percent rate. Those employees who are not Miscellaneous Tier 1 members and who do not belong to Social Security will include their appropriate Medicare and retirement rates, and health, vision, and dental benefit rates. For example, the appropriate total rate for members of the Safety Retirement Category who do not belong to Social Security is ~~35.40~~35.16 percent consisting of:

(Continued)

SAM—MISCELLANEOUS ACCOUNTING PROCEDURES

(Continued)

**BILLING FOR SERVICES OF EMPLOYEES PAID ON
MONTHLY BASIS**

8740 (Cont. 3)

(Revised 1/2015~~6~~)

Employee's Retirement (State Safety)	19.34 <u>19.26</u>
Medicare	1.45
Health, Vision, and Dental Benefits	14.61 <u>14.45</u>
TOTAL PERCENT	35.40 <u>35.16</u>

This ~~35.40~~35.16 percent figure will be used in lieu of the ~~46.54~~47.25 percent figure shown above. State departments with employee members in different retirement categories may use a composite employer contribution rate, based on department experience. Also, any department may use other rates for OASDI, Medicare, and health, vision, and dental benefits if more accurate rates can be determined from the actual experience of their operations.