

MANAGEMENT MEMO

NUMBER:
MM 14-08

SUBJECT:

STATE TELECOMMUNICATIONS VISION, STRATEGY AND POLICY

DATE ISSUED:
September 25, 2014

EXPIRES:
UNTIL RESCINDED

REFERENCES:

Government Code sections 11531-11548.5; Public Contract Code sections 12100-12105, and 12120; State Administrative Manual sections 4800-5180. Supersedes Management Memo 04-08.

ISSUING AGENCY:

DEPARTMENT OF
TECHNOLOGY SERVICES

Purpose

This Management Memo (MM) updates the state's vision, strategy, and policy for procuring and implementing telecommunications systems and networks. It supersedes previous information outlined in MM 04-08. This memorandum also provides information on use of the CALNET Statewide Telecommunications Contract(s).

Policy

All California government agencies are highly encouraged to utilize the CALNET Statewide Contract(s) because it provides ease of procurement, economic benefits, and interoperability for voice and data services.

Background

The California Department of Technology, along with the Office of Technology Services Statewide Telecommunications and Network Division (STND), continues its lead role over state telecommunications strategy and policy as authorized in California Government Code sections 11531-11548.5.

The statewide CALNET communications network is currently provided and managed via the CALNET Statewide Contract(s). The CALNET network infrastructure is Wide Area Networks (WAN) that distribute end-to-end voice, data, and video services through contracted services. It is privately owned, operated, and maintained by the CALNET contractor(s) under the STND's oversight. Individual customers directly purchase telecommunications services through the CALNET Statewide Contract(s). See Attachment A for categories of services.

The CALNET Statewide Contracts are easy to use by both state and local government agencies because they are already **competitively bid**, thereby saving agencies from the Request for Proposal (RFP) process. As described herein, other contract vehicles may be utilized as resources for state and local government to appropriately manage and implement their telecommunications voice and data service needs.

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

State Vision

The state envisions a consolidated, flexible, responsive, secure, survivable, efficient, and cost-effective telecommunications infrastructure that provides seamless end-to-end interoperability for voice, data, and video services, whether separately or as part of a converged service.

Owning and operating WANs are not the primary responsibility of the state; therefore the state's telecommunications services will continue to be procured from private contractor(s) under the oversight of STND.

Where feasible, multiple contractors should provide increased diversity and competition that lead to lower prices, more customer choices, and the capability to obtain and rapidly deploy new technologies.

State Telecommunications Strategy

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

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

Usage of CALNET Statewide Contract(s)

The following defines the general policy and provides clarifying information for usage of the CALNET Statewide Contract(s).

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

Non-exempt state agencies are those under the jurisdiction of the Executive Branch of California state government. Pursuant to Government Code section 11541, those agencies are mandated to utilize the CALNET Statewide Contract(s) to obtain **Required** telecommunications and network services (see item 2 below).

Exemptions from using the CALNET Statewide Contract(s) may be made as outlined in item 4 below.

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**Usage of
CALNET
Statewide
Contract(s)
(cont.)**

Exempt state agencies and departments (colleges and universities, agencies headed by constitutional officers or agencies such as State Fund [formerly the State Compensation Insurance Fund] and the Lottery) are those that are exempt from using the CALNET Statewide Contract(s) to purchase **Required** services. However, exempt state agencies may otherwise be subject to California Department of Technology oversight and policies.

Eligible local government agencies that have signed an **Authorization to Order (ATO)** agreement to use the CALNET Statewide Contract(s) for specific services are eligible to procure those services from the CALNET Statewide Contract(s).

2) “Required” and “Discretionary” Services

Required services are those services that **non-exempt** state agencies must purchase from the CALNET Statewide Contract(s), as noted in the **Attachment A** at the end of this document. All **state** agencies can simply purchase **Required** CALNET services by completing and submitting a State Standard Form 20 (STD. 20) to the contract vendors or service providers.

Discretionary services are those that are optional to purchase from the CALNET Statewide Contract(s) by any contract user. For **Discretionary** CALNET service purchases, all **state** agencies use the STD. 20 in accordance with the CALNET User Instructions.

Local agencies with an ATO agreement have no procurement restrictions imposed by the state. However, their ATO agreements will identify the specific services they may purchase from the CALNET Statewide Contract(s). **Local** agencies are encouraged to use the STD. 20 to purchase the CALNET services listed in their ATO agreement, although use of that form is not required.

3) Non-CALNET Services

There may be situations in which CALNET will not meet agency business requirements. In those cases, alternative telecommunications or network services may be obtained through other procurement vehicles under one or more of the following conditions:

- a) **Exempt** state agencies may obtain all telecommunications products and services outside of CALNET;
- b) **Non-exempt** state agencies may purchase **Discretionary** products and services outside of CALNET;
- c) **Non-exempt** state agency may purchase specific **Required** services outside of CALNET if an **exemption request** is **approved** by STND (see item 4 below);

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**Usage of
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(cont.)**

- d) A **non-exempt** state agency may obtain substitute services if STND determines that there is no suitable replacement service available on the CALNET Statewide Contract(s);
- e) Any agency may replace a specific service that STND determines must be discontinued consistent with the CALNET Statewide Contract(s).

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

4) Delegations and Exemptions

Delegations and **Exemptions** apply only to **non-exempt** state agencies.

Delegation and **exemption** requests must apply to a specific telecommunications project or acquisition and must provide pertinent, specific information on the proposed services as defined in State Telecommunications Management Manual (STMM).

For **exemption requests**, provide an explanation of why services from the CALNET Statewide Contract(s) would not meet the designated need and the ramifications if the need is not met. Refer to the STMM for details.

Delegations

A **non-exempt** state agency must submit written **delegation requests** for **approval** by STND for general delegation or to purchase specific services per STMM.

Exemptions

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

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**Usage of
CALNET
Statewide
Contract(s)
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STND will evaluate the **exemption** request and FSR (if any) to determine whether approval for an **exemption** from CALNET should be granted. The decision will be based on the information provided, additional information as requested, and research as needed, under the following circumstances:

- a) CALNET services are unsuitable to meet the agency's business needs due to significant lack of features, functionality, availability, or service levels; or
- b) The **costs of an alternative product or service provider are substantially below** (approximately 35 percent) the costs of similar products or services available under the CALNET Statewide Contract(s) including comparable SLAs, network support, diversity, survivability, recoverability, scalability and other related factors; **and**, a contract with alternative product or service providers **will not unduly interfere** with the state's goal of maintaining a consolidated telecommunications network.

References

For more information on state telecommunications law and policy, see <http://www.otech.ca.gov/STND/resources/>. This link includes Government Code sections 11531-11548.5; the STMM, and the ATO Policy for use of CALNET Statewide Contract(s) by local government agencies. Agency Telecommunications Representative (ATR) Bulletins are regularly issued to ATRs to provide telecommunications updates, and are available at the above website.

The <http://marketing.dts.ca.gov/calnet3/> website includes a copy of the CALNET Statewide Contract(s), contract rates/pricing and service descriptions in Catalog B, and copies of contract amendments.

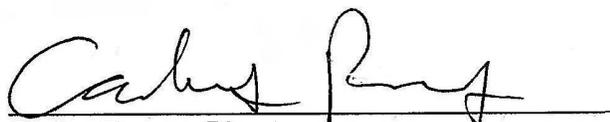
Contact

For more telecommunications or CALNET-related information, please contact the Department of Technology – Statewide Telecommunications and Network Division (STND) at the numbers below, and request to speak to a CALNET Representative. Also, refer to the STND homepage at www.otech.ca.gov/stnd.

Mailing Address, Telephone and Fax:

Department of Technology
Statewide Telecommunications and Network Division
PO Box 1810
Rancho Cordova, CA 95741-1810
Telephone: 916-657-9150
Fax: 916-463-9921

Signature



Carlos Ramos, Director
Department of Technology

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Attachment A

IFB-A:

1. **SUBCATEGORY 1.1** – DEDICATED TRANSPORT
2. **SUBCATEGORY 1.2** – MPLS, VPN AND CONVERGED VOIP
3. **SUBCATEGORY 1.3** – STANDALONE VOIP
4. **SUBCATEGORY 1.4** – LONG DISTANCE CALLING
5. **SUBCATEGORY 1.5** – TOLL-FREE CALLING
6. **SUBCATEGORY 1.6** – LEGACY TELECOMMUNICATIONS

IFB-B:

7. **CATEGORY 2** – NETWORK BASED WEB CONFERENCING
8. **CATEGORY 3** – METRO AREA NETWORK ETHERNET
9. **SUBCATEGORY 4.1** – SONET – Ring Connectivity
10. **SUBCATEGORY 4.2** – SONET – Point-to-Point
11. **CATEGORY 5** – MANAGED INTERNET SERVICE
12. **SUB-CATEGORY 6.1** – HOSTED IVR/ACD SERVICES
13. **CATEGORY 7** – HOSTED IVR/ACD SERVICES