

# Technology Procurements

Guidelines, Tips, Reminders



# Agenda

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- Welcome and Introductions
- Governance
- MDITS Procurement Policies
- IHL Procurement Policies
- UM's Process
  - ▣ Technology Procurements
  - ▣ Sole Source



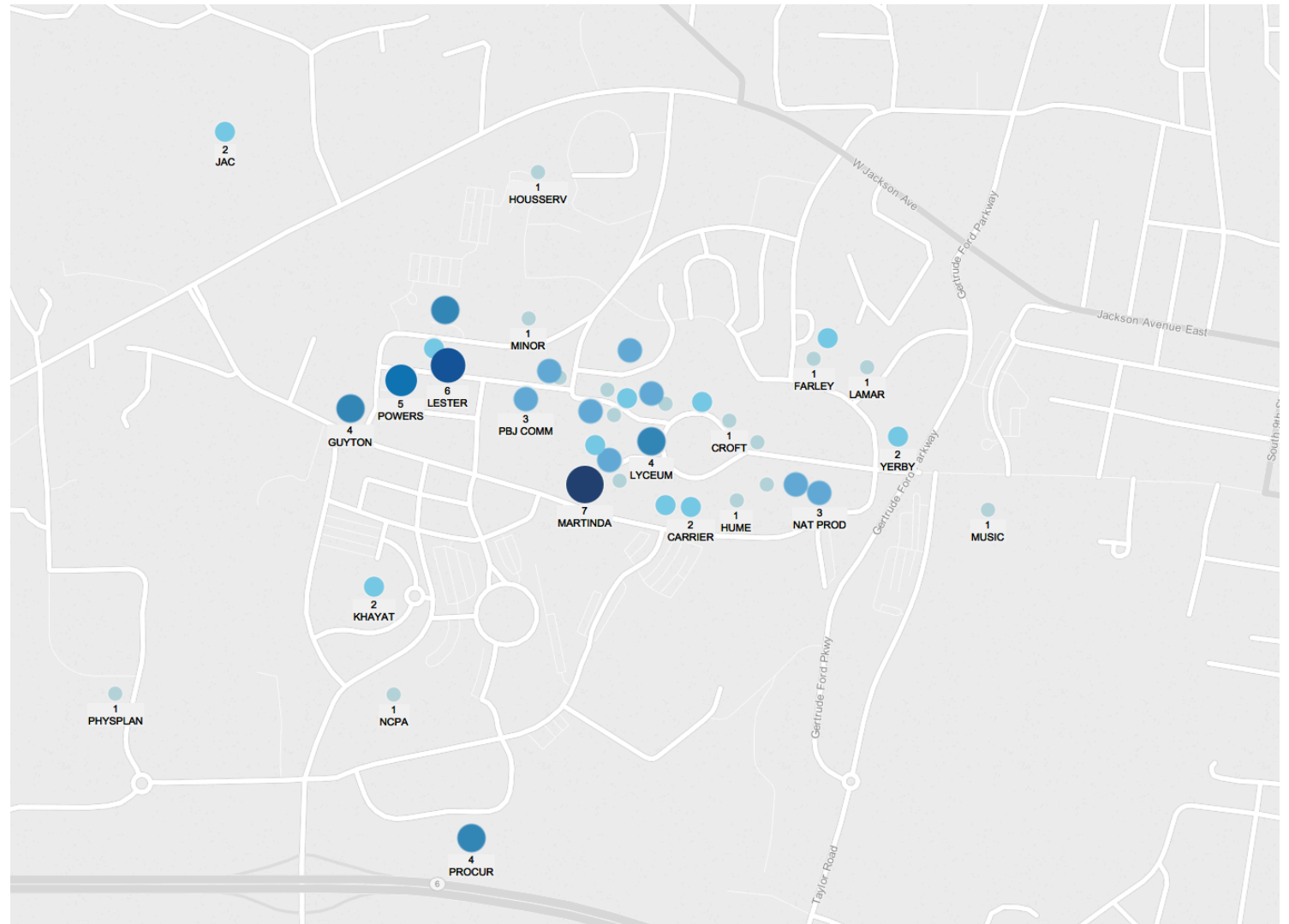
# Organizers

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Today's attendees!



# Governance

## Mississippi Department of Information Technology Services

- [www.its.ms.gov](http://www.its.ms.gov)
- Mission
  - “Provides statewide leadership and services that facilitate cost-effective information processing and telecommunication solutions for agencies and institutions.”
- MDITS Procurement Handbook specifies how state agencies, including universities, are to conduct technology procurements.

## Mississippi Institutions of Higher Learning

- [www.ihl.state.ms.us](http://www.ihl.state.ms.us)
- IHL Policies and Bylaws document includes sections that are relevant to technology procurements.
  - Prepayments
  - Contracts



# MDITS Procurement Policies

**Lynn Ainsworth**

Director, Information Systems Services Division

Mississippi Department of Information Technology Services



# IHL Approval Processes



# IHL Approvals: Prepayments

UM Contact for Prepayments:  
Katherine Jones

707.03

## APPROVAL OF PREPAYMENT FOR GOODS OR SERVICES

Pursuant to Miss. Code Ann. § 7-7-27 (1972), as amended, the Board of Trustees of State Institutions of Higher Learning (IHL) may permit prepayment for goods or services not yet received. The procedures regarding obtaining a waiver to permit payment in applicable to the IHL Executive Office and the various state universities are as follows:

1. The Commissioner is delegated the authority to approve such prepayment/waivers on behalf of the Board. However, if any other Board policy requires IHL Board approval in order to contract for, lease or purchase the subject goods, services, equipment, property or facility, approval of a prepayment/waiver must be sought from the IHL Board, instead of the Commissioner, at the same time permission is sought from the Board in order to contract, lease or purchase.
2. Written permission from the Commissioner or Board must be obtained prior to making or contracting to make prepayment of goods or services before such goods or services are received.
3. The requestor must submit a written request to the Commissioner, or an agenda item for consideration by the Board, explaining the circumstances or reasons why the waiver is being sought. A copy of the invoice or proposed contract showing the prepayment terms must be attached to the request.
4. Registration fees for conventions and conferences and deposits for hotel fees may be paid in advance and do not require permission/waiver by the Commissioner or Board.
5. If federal funds are to be used to prepay multi-year services or licensing, the requestor must ensure that the prepayment conforms to the federal grant regulations and requirements. The requestor must provide documentation to the Commissioner or Board, as part of the written request for a waiver, indicating that the prepayment conforms to the federal grant regulations and requirements.
6. A waiver from the Commissioner is not required in order to pre-pay a single payment within a fiscal year for the rental of a post office box, membership dues, subscriptions and software maintenance fees. However, if Board approval is required within another policy in order to contract for or purchase same, the Board's approval to contract or purchase must still be sought as required by the applicable policy.
7. All multi-year prepayments require a waiver granted by the Commissioner or Board.

(BT Minutes, 6/2014)



# IHL Approvals: Contracts

Board approval prior to the execution of leases in an amount greater than \$100,000 is required. However, Board approval is required for timber sales and prior to the execution of all easements, and of all oil, gas and mineral leases, regardless of amount. The Commissioner is authorized and empowered to approve non-oil, gas and mineral leases in an amount equal to or less than \$100,000. Board approval prior to execution of the contract is required for all

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UM Contact for IHL  
Contract Approval:  
Katherine Jones

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## **IHL Board of Trustees** ***Policies & Bylaws***

other land, personal property, and service contracts that require an aggregate total expenditure of more than \$250,000.



# UM's Process



By law, all acquisitions of information technology products or services by IHLs must be approved by ITS. ITS has delegated this responsibility to the Chief Information Officers (CIOs) of the State's Institutions of Higher Learning for certain types of purchases and lifecycle cost limits. Note that these thresholds are based upon **total lifecycle costs** and that **there are situations in which actual monies paid is not the sole determinant of the requirement for a competitive procurement process**. For purchases in which (1) the value of the goods and services exceeds bid limit, (2) there is a competitive market, and (3) there is potential for vendor profit from the project, contracts must be awarded based on an open and competitive process that allows the state to compare offerings to obtain the best product, service, and value, regardless of monies paid directly to the vendor by the state entity. The competitive process ensures the state's requirements are well-defined, project contracts are negotiated to protect the state's interest, and the vendor selected is the one with the most advantageous combination of cost and services.

The table below defines the procedures and the required approvals for each category and project lifecycle cost range. For current Director Approval thresholds, see Section 018-030. Note that all Procurement Requests submitted to ITS must be signed by the Institution's CIO or that person's designee.

IHLs: Institutions of Higher Learning (IHLs) or public universities have been delegated the authority to certify sole source procurements up to \$250,000 lifecycle cost under the ITS Procurement Limits Policies for IHLs. Institutions certifying a sole source purchase must ensure the criteria listed above are met and documented in writing by the institution and the vendor prior to certifying a product or service as sole source. Sole source documentation must be reviewed and approved by the IHL's CIO for any sole-source certification above \$5,000. All sole source documentation should be retained in the public university's procurement file. Sole source requests above \$250,000 lifecycle cost require ITS approval.



# UM's Technology Purchases Policy

- Workflow
  - Procurement requests that meet certain conditions are routed to IT for approval.
  - First used in September 2011
  - 2000+ PRs routed through IT
- Goals
  - Ensure compliance with MDITS policies and state purchasing laws
  - Promote the resourceful, informed utilization of technology
- IT checks →
  - Soundness of solution
  - Security red flags
  - Interface requirements
    - Data exports
    - Single sign-on
  - Implementation challenges
  - Method of procurement
- IT does not check →
  - Your contract!



# UM's Sole Source Process

## \$5K - \$250K\*

- ❑ Complete form at [olemiss.edu/solesource](http://olemiss.edu/solesource)
- ❑ Must provide project description and sole source justification, as well as vendor letter
- ❑ UM Procurement will advertise per MDITS policy

## > \$250K\*

- ❑ Complete form at [olemiss.edu/solesource](http://olemiss.edu/solesource)
- ❑ Also complete MDITS Sole Source Request
- ❑ IT and Procurement will review
- ❑ If approved internally then MDITS will review / advertise

*\* For the Project Lifecycle*



# Key Take Aways

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- ❑ MDITS and the IHL establish policies to ensure we comply with state law wrt/ technology procurements.
- ❑ It is the responsibility of UM employees who are involved in technology procurements to understand and follow these policies.

