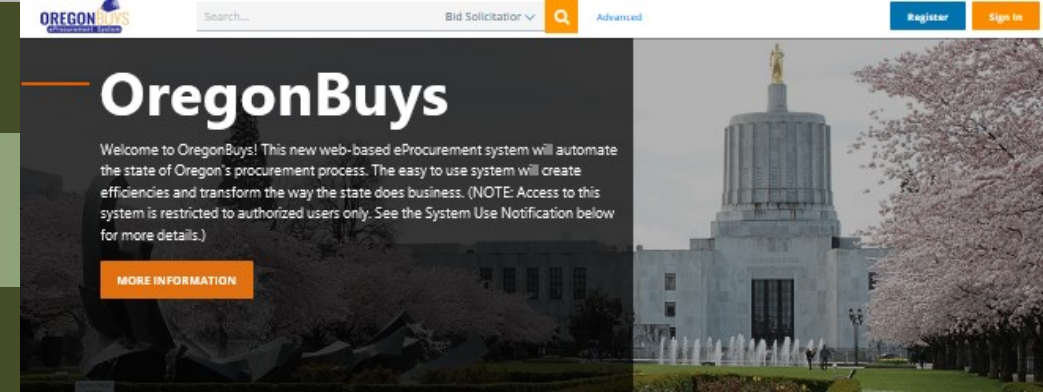# IT Procurement

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Department of Administrative Services
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DAS Procurement Services

➤ Procurement Services (PS) serves as the central purchasing authority for state government.

➤ We procure goods and services on behalf of state agencies and combines state, local governments, and other state's purchasing power to ensure the cost–effective acquisition of goods and services.

➤ We consult with and train employees of state, local governments, and suppliers on the application of purchasing laws, rules, procedures and policies.

➤ We develop and administer a training & certification program and maintains a central eProcurement System to support statewide procurement activities.

➤ *ORS 279 A & B clearly defines the roles and responsibilities of state procurement.*

eProcurement System

OregonBuys is the eProcurement system agencies use to advertise procurement opportunities and to meet the requirements of Oregon's public contracting code.

- Web-based tool where Statewide Price Agreements and agency specific offerings are posted

- Used to advertise procurement opportunities to the public, and meet the requirements of Oregon's public contracting code reporting for MWESB (COBID) and other initiatives

- Registered vendors receive email notifications when opportunities are posted that match their selected commodity codes

- Vendors submit bids electronically through the system

Finding Price Agreements

Search OregonBuys

https://oregonbuys.gov

1. Click the word "Advanced" next to the top search bar
2. Select "Blankets" in the Document Type dropdown
3. Enter keywords or info into search fields (Description or other fields)
4. Click the "Search" button

Helpdesk email: epro-support@periscopeholdings.com

IT Procurement is just different vocabulary!

Cloud

SaaS
PaaS
IaaS

EULA

User
Acceptance

Traceability
Matrix

Data
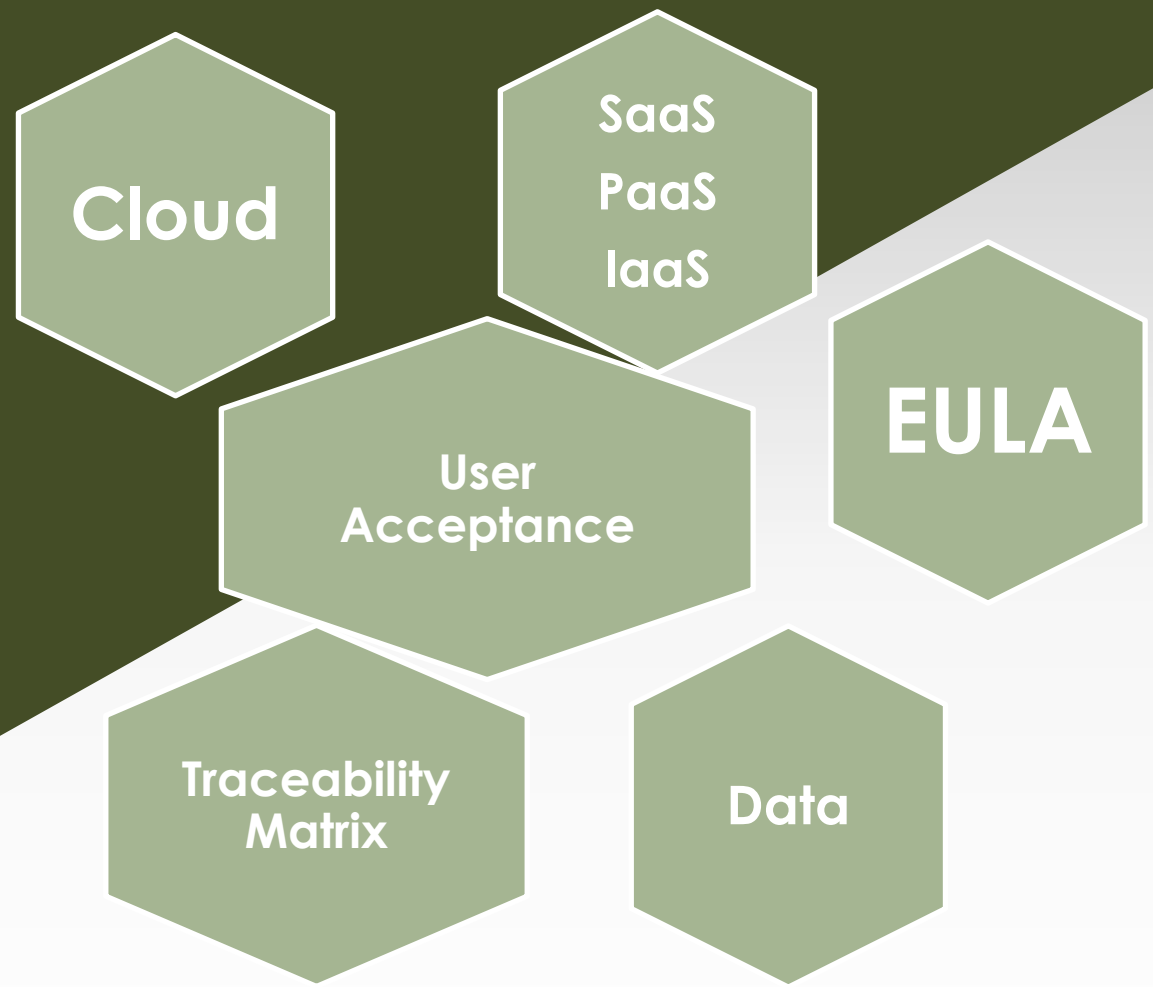
IT Solicitations

➢ Procurement Services conducts all* IT procurements over $150,000 (State Agencies)

➢ The Office of the State CIO is integrally involved in the PROJECT that IT procurements are built around.

➢ Agencies must submit an Information Technology Investment (ITI) and Business Case to Enterprise Information Services (EIS). Once these are approved the procurement may be conducted.

➢ For large (generally over $1million however it is mainly based on the RISK of the project) EIS manages the project using their Stage Gate process.

➢ Cloud based applications require completion of the Cloud Planning and readiness Assessment Workbook.

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# IT Procurement Stakeholders

- Agency: Program SME, Technology SME, Procurement
- DAS: Analyst
- EIS: IT Portfolio Managers
  - Business Analyst – Artifact review and approvals
  - Cyber Security Services (CSS) – reviews for security
- DOJ: Business Transactions Attorney

Stage Gate Process

- There are four (4) Stage Endorsements, they are:
  - Stage Gate 1: is performed during the budgeting process and corresponds to a project's Concept/Origination Phase.
  - Stage Gate 2: is performed during preparation of a detailed Business Case / ITI and corresponds to a project's Initiation Phase.
  - Stage Gate 3: is performed during preparation of a project's Detailed Plan and corresponds to a project's Planning Phase.
  - Stage Gate 4: covers the main implementation work of a project and corresponds to the project's Execution Phase and Project Close-out.

Stage Gate Process

Templates

https://www.oregon.gov/das/Procurement/Pages/ELTdocs.aspx
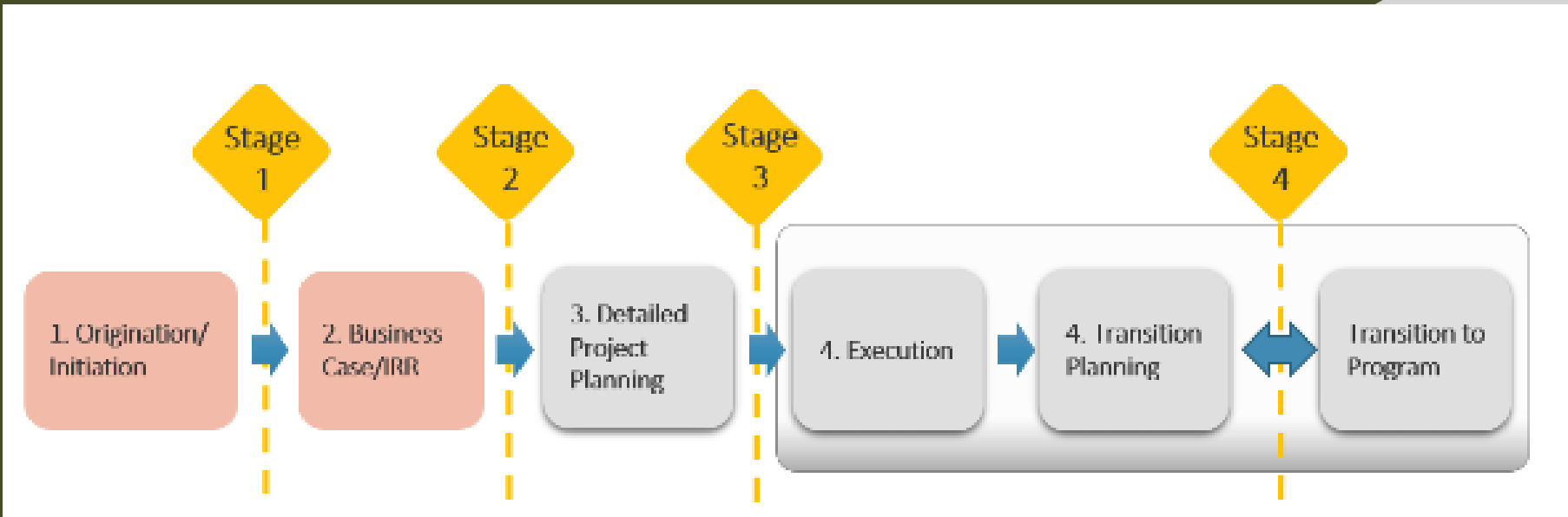
IT consulting services template	3/1/2021	Recommended use
IT rider for off-premises cloud and hosted services (includes link to informational video)	2/1/2021	Recommended use
IT Saas template - TOS exhibit	2/20/2019	Recommended use
IT SaaS template	7/1/2021	Recommended use
IT system acquisition template - license exhibit	2/20/2019	Recommended use
IT system acquisition template	2/1/2021	Recommended use

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Develop RFP Using the IT RFP Template

➢ The workgroup will work together to develop the RFP. This includes the following Sections of the RFP:
   1. Introduction
   2. Schedule of Events
   3. Project Specific Definitions
   4. Minimum Requirements

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IT RFP Template

5. Proposal Content Requirements:
   - Scope of Work and Project Implementation Plan
   - Project Schedule
   - Migration Timeline
   - Testing and Acceptance
   - Communications Plan
   - Escalation Plan
   - Disaster Recovery and Business Continuity Plan
   - Staffing

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IT RFP Template

6. Solution Requirements:
   - System Requirements
   - Network Capability
   - Network Security
   - Security Monitoring and Management
   - Scalability
   - Equipment and Equipment Replacement
   - Private Network Cloud
   - Database Accuracy, Maintenance and Availability

IT RFP Template

7. Services:
   - Project Management
   - Data Gathering
   - Network Design
   - Data Migration
   - Acceptance Testing
   - Pilot
   - Implementation Plan
   - Training

IT RFP Template

8. Ongoing Services; Maintenance and Repair; Customer Services/Help Desk:
   - Post-Cutover Support
   - Network Services and Management
   - Network Performance, Fault Monitoring
   - Network Configuration and Change Management
   - Help Desk/Customer Service
   - Maintenance and Repair
   - Reports
   - Billing
   - Performance Standards and Service Level Agreements (SLA's)

IT RFP Template

9. Evaluation Criteria – including Interviews, Demonstrations, Site Visits and BAFO (Best and Final Offer)

10. Cost Proposal

11. Insurance

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Evaluation and Contract Negotiations

➢ Once the RFP closes, an evaluation group will evaluate the responses received. As an example:
  ➢ Round 1 = Proposal Response
  ➢ Round 2 = Interview/Demonstration/Presentation
  ➢ Round 3 = Site Visits
  ➢ Round 4 = BAFO

Evaluation and Contract Negotiations

- Once the Intent to Award is issued, the negotiation team (including at a minimum DAS PS, DOJ, SME's, PM) negotiates the contract with the proposer.
- Before the contract can be signed, it must have:
  - DOJ Legal Sufficiency approval (> $150,000)
  - Feasibility Determination for IT Services >$250,000
  - HB2375 forms completed and signed
  - If a Stage Gate project, Stage Gate 3 endorsement
  - Pay equity Compliance Certificate

Evaluation and Contract Negotiations

> After the contract is signed, DAS PS schedules a contract administration kick off meeting with Agency to discuss roles and contract administration duties.

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Special Instructions

- Multi-award agreements and Reseller PAs
  - Best Value Analysis(BVA) unless Brand name justification is in place
  - Software license/ EULA must be negotiated prior to downloading any software. Check Software License agreements page for any negotiated Master License Agreements http://www.oregon.gov/das/Procurement/Pages/ITsoftware.aspx
  - Services outside of minimal installation and training are not part of the Value Added Reseller Agreements

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License Review– Provisions to look for

- Choice of Law: Oregon law (in addition, subject to US import/export laws is ok)
- Venue for lawsuits: Oregon courts
- Jurisdiction over parties: Oregon courts, no consent to jurisdiction in any other courts
- Sovereign immunity: no waiver of any immunities, especially 11th Amendment of US Constitution
- License: make sure terms of license cover the intended use, including the use by State's other agents or contractors

License Review– Provisions to look for

- ➢ Representations (in general) :
  - ➢ By Company: check name of licensor, authority to license
  - ➢ By State: make sure appropriate
- ➢ Representations as to Appropriations/Funding: subject to State having appropriation or other funding – Art IX, §4 of Oregon Constitution

License Review– Provisions to look for

- ➢ Payment:
  - ➢ not late until 45 days after –– nice if it is 45 days after receipt of the invoice – but usually will be 45 days after date of invoice
  - ➢ no payment of Company's expenses [potentially unconditional debt – violation of Art XI, §7 of Oregon Constitution, if not agreed to by State]
  - ➢ if agree to pay expenses, limited by Oregon Travel Policy
  - ➢ all payments are subject to ORS 293.462

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License Review– Provisions to look for

➢ Late fees: make sure there is a limitation for requirements of law [ORS 293.462 – interest – 2/3 of one percent]

➢ Indemnity (third party claims):

➢ Company indemnifying State: probably only be able to get intellectual property indemnification; but would be nice to get general   indemnity

➢ State indemnifying Company, limit by Art XI, §7 of Oregon Constitution and Tort Claims Act (ORS 30.260 – 30.300)

License Review– Provisions to look for

- **Limitation of Liability:**
  - Look at limitation amount – value of contract? amount paid during last 12 months?
  - Consequential damages –   review list of items State can claim loss; if contract is for protection of data, data loss should not be   in the list of items that are excluded from coverage

- **Insurance:** [*requirements for State set by Oregon Supreme Court, tort claims limits*]

License Review– Provisions to look for

- **Termination**:
  - must have ability to terminate for breach, watch the time period on ability to cure
  - must have ability to terminate for non–funding
  - for change in law, bankruptcy of Company, would be nice for convenience, would be nice
- **Early termination fees/charges**: do not agree to pay [*potentially unconditional debt – violation of Art XI, §7 of Oregon Constitution*]

License Review– Provisions to look for

- **Other Remedies**: usually state that replacement, fix by Company is the State's sole remedy – it is nice to remove this limitation but may not be able to

- **Confidentiality**: make sure there is a limitation for requirements of law [*limit State obligation by Oregon Public Records Laws (ORS 192.410 – 192.505) and Oregon Custody and Maintenance of Records Laws (ORS 192.005–192.170)*]

License Review– Provisions to look for

- State's Data, Ownership and Return: make sure no provision giving Company ownership of State Data; make sure State gets it back upon expiration /termination

- Automatic renewal: be careful of provisions, review notice of termination requirements

- Attorneys Fees: do not agree to pay (unconditional debt – violation of Art XI, §7 of Oregon Constitution)

- Arbitration: do not agree to arbitration; mediation is ok

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License Review– Provisions to look for

➢ Jury Trial: do not waive

➢ Certifications: tax certification, probably will not be able to get in license, but must be in the PO or other contract with entity State is buying software from

➢ AUP (Acceptable Use Policies): review, but generally should be ok

➢ Other terms and provisions: look carefully at the document, does it reference any other documents or terms and provisions in hard copy or on-line [REVIEW THEM]

IT Procurement Team:

IT Manager:
- Open

IT Team:
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Here is the link to the DAS PS IT Business Center information:

- http://www.oregon.gov/DAS/EGS/ps/Pages/IT-Procurement.aspx

Here is the link to Office of the State CIO (OSCIO):

- http://www.oregon.gov/DAS/OSCIO/pages/index.aspx