Introduction

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Introduction

#### Topic 1 - Overview

##### I.1.0 Introduction

The Department of General Services (DGS) has statutory responsibility (Public Contract Code sections [PCC] 12100 et seq.) for procurement of all information technology (IT) goods and services, 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 procurement.

The DGS also has statutory authority (PCC section 12101(c)) to grant purchasing authority to those departments demonstrating the capability to make purchases that adhere to State statutes, regulations, policies, and procedures.

Pursuant to PCC section 12104 the DGS is required to set forth all policies, procedures, and methods that the DGS will use when soliciting bids for IT procurements in the State Contracting Manual (SCM), including any policies contained in the State Administrative Manual (SAM).

##### I.1.1 Definition of IT

IT is defined in the SAM (Section 4819.2) as 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, requisite systems controls, and simulation. The term "information technology" is commonly abbreviated as "IT".

**Note**: A definition is also contained within the IT General Provisions (GSPD-401IT) provided by the DGS/PD.

##### I.1.2 Purpose of this manual

State Contracting Manual (SCM), Volume 3 (Vol. 3), is provided as a resource to those persons in California state government who are involved in the State’s procurement of IT goods and services. It provides the policies, procedures and methods to promote sound business decision practices in securing necessary services for the State. The procedures are not intended to cover every situation which may be encountered during procurement. Interpretation and application of the procedures to unique situations is the responsibility of the DGS.

The DGS/PD’s Office of Policies, Procedures, and Legislation should be contacted for assistance in interpreting any section of SCM Vol. 3 at PPO@dgs.ca.gov.

**Note**: If a department with purchasing authority elects to exceed any of the procedures documented in the SCM Vol. 3, then those additional departmental requirements should be documented within the department’s internal policies and procedures. See Chapter 1 for assistance in developing a departmental policies and procedures manual.

##### I.1.3 Scope of this manual

SCM Vol. 3 contains purchasing authority requirements, including statutes, regulations, policies, procedures and best practices applicable to the acquisition of IT goods and services. Also included is information on competitive bidding, non-competitive contracting and leveraged procurement agreements (LPA), protests and post award activities, contract administration, and reporting requirements.

“Department” for the purpose of this manual refers to any entity of the executive branch of California government including, but not limited to, agency, department, board, commission, office, association or institution.

##### I.1.4 Other volumes of the SCM

See SCM Vol. 1 for non-IT services, consultant services contracts, legal services, subventions, grants, and corresponding interagency agreements. The DGS-OLS should be contacted for assistance in interpreting any section of Volume 1.

See SCM Vol. 2 for procurement of non-IT goods.

##### I.1.5 Table of Contents

There are twelve chapters in this manual. Each chapter has a table of contents unique to the individual chapter. The chapters included in this manual are:

Chapter 1 - Purchasing Authority

Chapter 2 - Procurement Planning

Chapter 3 - Socioeconomic and Environmental Programs

Chapter 4 - Competitive Solicitations

Chapter 5 – Non-Competitively Bid (NCB) Contracts

Chapter 6 - Leveraged Procurement Agreements

Chapter 7 - Protest and Post Award Disputes

Chapter 8 - Purchase Documents

Chapter 9 - Disbursements, Financing and Payment Programs

Chapter 10 -Receiving, Inspection, Acceptance Testing and Acceptance or Rejection

Chapter 11 - Contract Administration

Chapter 12 - Reporting Requirements

##### I.1.6 Guide to usage

Below is a guide for interpreting terminology presented in SCM Vol. 3.

* **In reference to Words**
	+ Requirement: “must”, “shall”, “mandatory” or “required”
	+ Limited Discretion: “should”
	+ Full Discretion: “may”, “guidelines”, “recommended practice” or “examples”
* **In reference to Source**
	+ Requirement: Statutes, regulations, state policies, the DGS/PD policies
	+ Limited Discretion: The DGS/PD policies related to requirements or considered to be good business practice
	+ Full Discretion: Policies, procedures and guidelines presented as helpful aids
* **In reference to Documentation:**
	+ Requirement: Documentation required
	+ Limited Discretion: Brief notation in file documentation sufficient
	+ Full Discretion: None

##### I.1.7 Navigating within the manual and to other documents or websites

This manual contains hyperlinks (colored and underlined text or text where the hyperlink hand symbol appears) that you click to go to another document or web site.

##### I.1.8 Availability of the manual

The SCM Vol. 3 and any updates to the manual will be made available via electronic mail (e‑mail) broadcasting to department prime contacts. Department prime contacts are usually the Procurement and Contracting Officer (PCO), Purchasing Authority Contact (PAC), and department Small Business Advocate. To subscribe to the (e-mail) broadcast bulletins type your e-mail address at the bottom of the [Broadcast Bulletin webpage](https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/Broadcast-Bulletins) at https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/Broadcast-Bulletins.

The SCM Vol. 3 is available on the [DGS/PD webpage](https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/State-Contracting-Manual-Volume-2-3-FI%24Cal) at https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/State-Contracting-Manual-Volume-2-3-FI$Cal under the Policies Manuals and Handouts tab.

##### I.1.9 Role of the PCO

The PCO acts as the single point of contact for the DGS/PD on procurement matters ensuring all procurement and contracting activities within the department fully comply with State law, appropriations, regulations, executive orders, policies, procedures, best practices, and the SCM

and is responsible for:

* All procurement and contracting within the department except for Public Works, Architectural & Engineering and Real Estate contracts.
* For and directly accountable for the department's purchasing authority.
* Providing the necessary resources to ensure all staff are properly qualified and trained in all aspects of the procurement process.
* Reviewing and approving the department's purchasing authority application(s) prior to submission to the DGS/PD.
* Serving as the department signatory on purchasing program compliance review reports.
* Serving as the agency officer in accordance with PCC section 10333.

##### I.1.10 Role of the PAC

The PAC interfaces and communicates with the DGS/PD, the PCO and subordinate staff overseeing day-to-day procurement activities conducted under the purchasing authority, ensuring that the department's policies & procedures are consistent with current law, regulations, executive orders, policies, procedures, best practices, and the SCM, and is responsible for:

* Distributing the SCM and any SCM revisions to the appropriate departmental staff.
* Coordinating procurement activities with the department's small business advocate, if the department is required to designate a small business advocate.
* Informing the department's CAL-Card Coordinator of purchasing authority requirements, if the department participates in the State's CAL-Card Purchase Program.

**Note:** Departments may choose not to designate a PAC. If the department does not, then the PAC role reverts to the PCO.

##### I.1.11 Role of the department’s Small Business Advocate

The department’s Small Business Advocate assists purchasing staff in identifying potential small, micro and DVBE businesses and is responsible for:

* Promoting SB and DVBE business contracting participation.
* Making solicitation information available to small, micro and DVBE businesses.
* Ensuring prompt payment to small businesses.

##### I.1.12 Revisions to the SCM, Vol. 3

The SCM, Vol. 3 will be updated as needed.

##### I.1.13 Statutory regulatory and procedural requirements

In addition to the SCM Vol. 3, departments must adhere to applicable provisions of State law, including, but not limited to:

* Public Contract Code
* Government Code
* Military and Veterans Code
* Labor Code
* Revenue and Taxation Code
* Food and Agriculture Code

Departments must also adhere to applicable procurement-related regulations contained in the California Code of Regulations. The following manuals also provide procurement-related policies and procedures and should be referenced as applicable:

* State Administrative Manual (SAM) provides statewide policies
To access [SAM](https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/State-Contracting-Manual-Volume-2-3-FI%24Cal), visit https://www.dgs.ca.gov/
* Statewide Information Management Manual (SIMM) provides instruction and guidelines, samples and model forms, and certification and transmittal letters related to IT policy.
To access [SIMM](https://cdt.ca.gov/policy/simm/), go to https://cdt.ca.gov/policy/simm/
* State Telecommunications Management Manual (STMM) provides guidelines, directives, procedures and service information to assist departments with telecommunications management.
To access [STMM](https://cdt.ca.gov/services/calnet-stmm/), go to https://cdt.ca.gov/services/calnet-stmm-2/
* SCM Vol. 1. provides policies, procedures and guidelines related to the state’s contracting process for non-IT services including consultant service contracts and corresponding interagency agreements. Also includes information relating to public works, architectural & engineering and legal services contracting.
To access [SCM, Vol. 1](https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/State-Contracting-Manual-Volume-2-3-FI%24Cal) go to https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/State-Contracting-Manual-Volume-2-3-FI$Cal
* SCM Vol. 2 provides policies, procedures and guidelines related to delegated purchasing authority, including the State’s acquisition process
To access [SCM, Vol. 2](https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/State-Contracting-Manual-Volume-2-3-FI%24Cal), to go https://www.dgs.ca.gov/PD/Resources/Page-Content/Procurement-Division-Resources-List-Folder/State-Contracting-Manual-Volume-2-3-FI$Cal

##### I.1.14 Additional reference material

The following the DGS/PD publications are provided as reference summaries of State and federal statutes and State regulations relevant to State procurement practices:

To find [California Codes](http://leginfo.legislature.ca.gov/faces/codes.xhtml), go to http://leginfo.legislature.ca.gov/faces/codes.xhtml.

To find [California Code of Regulations](http://ccr.oal.ca.gov/), go to http://ccr.oal.ca.gov/.

To access the [California Acquisition Glossary](https://www.dgs.ca.gov/-/media/2E9ECBA34C6542AFB9683776A450E1A5.ashx), go to https://www.dgs.ca.gov/-/media/2E9ECBA34C6542AFB9683776A450E1A5.ashx

To access a [List of Acronyms](https://www.dgs.ca.gov/-/media/50FF3AB153414F19A1CE98C374C561B2.ashx), go to https://www.dgs.ca.gov/-/media/50FF3AB153414F19A1CE98C374C561B2.ashx

##### I.1.15 List of acronyms

The following list of acronyms are used in this manual:

**A**

ACD Automatic Call Distributor

ADA Americans with Disabilities Act

APP Alternative Protest Process

**B**

BOE Board of Equalization

**C**

CALNET California Integrated Telecommunications Network

CARI California Alliance of Rehabilitation Industries

CCCV California Code of Civil Procedures

CCR California Code of Regulations

CCPCP CAL-Card® Purchase Card Program

CDTFA California Department of Tax and Fee Administration

CIIN California Integrated Information Network

CIWMB California Integrated Waste Management Board

COTS Commercial-off-the-shelf

CMAS California Multiple Awards Schedules

CRP Community-based Rehabilitation Program

CSCR California State Contracts Register

CUF Commercially Useful Function

**D**

DGS Department of General Services

DMCP Desktop and Mobile Computing Policy

DOF Department of Finance

DRS Dispute Resolution Section, the DGS/PD

DVBE Disabled Veteran Business Enterprise

DPA Department of Personnel Administration

**E**

EZA Enterprise Zone Act

**F**

FEMP Federal Energy Management Program

FOB Free on Board

Form 42 Authorization to Exceed Monetary Limits

FRT.PPD Freight Pre-paid

FSR Feasibility Study Report

**G**

GC Government Code

**H**

HIPAA Health Insurance Portability and Accountability Act

**I**

I/A Interagency Agreement

IFB Invitation for Bids

IPO Independent Project Oversight

IT Information Technology

IVV Independent Verification and Validation

**L**

LAMBRA Local Military Base Recovery Area Act

LAPAER Leveraged Procurement Agreement Exemption Request

LC Labor Code

LCC Life Cycle Cost

LPA Leveraged Procurement Agreement

**M**

MA Master Agreement

MB Microbusiness

MM Management Memo

MOU Memorandum of Understanding

MPA Master Price Agreement

MRA Master Rental Agreement

MSA Master Service Agreement

MVC Military and Veterans Code

**N**

NCA Notice of Contract Award

NCB Non-Competitively Bid Contract Justification

NS Non-small business

NSP Not Specifically Priced Items

NVSA Nonprofit veteran service agency

**O**

OAH Office of Administrative Hearings

OCIO Office of the State Chief Information Officer

OHI Office of HIPAA Implementation

OLS Office of Legal Services, the DGS

ORP Operational Recovery Plan

OSDS Office of Small Business and DVBE Services, the DGS/PD

OSP Office of State Publishing, the DGS

**P**

PA Purchasing Authority

PAC Purchasing Authority Contact

PC Personal Computer

PCC Public Contract Code

PCD Personal Communications Device

PCO Procurement and Contracting Officer

PD Procurement Division, the DGS

PDA Personal Digital Assistants

PIER Post Implementation Evaluation Report

PIN Purchasing Information Network

PRC Public Resources Code

**R**

RFI Request for Information

RFI Request for Interest

RFO Request for Offer

RFP Request for Proposals

RFQ Request for Qualifications

**S**

SAM State Administrative Manual

SB Small Business

SC Statewide Contract

SCM State Contracting Manual

SCPRS State Contract and Procurement Registration System

SCR Special Category NCB Request

SCO State Controller’s Office

SFM State Financial Marketplace

SIMM Statewide Information Management Manual

SLP Software Licensing Program

SOW Scope of Work

SPB State Personnel Board

SPR Special Project Report

SS/SC Strategically Sourced Statewide Contract

STD. Standard Form

STMM State Telecommunications Management Manual

**T**

TACPA Target Area Contract Preference Act

TAS Technology Acquisitions Section, the DGS/PD

TD Telecommunications Division, the DGS

TMU Transportation Management Unit, the DGS/PD

**U**

UC University of California

USC United States Code

**V**

VCGCB Victim Compensation and Government Claims Board

**W**

WAN Wide Area Networks

WIC Welfare and Institutions Code

WSCA Western States Contracting Alliance