
Information Technology Expense Approval Requests
(for IT spending greater than \$10,000)

Frequently Asked Questions

Q: What is the definition of "IT Project"?

A: *It is currently defined as any IT expenditure.*

Q: How did OIT determine that \$10,000 should be the threshold for seeking OIT approval?

A: *OIT needed an amount that would give the State more insight and control over IT spending (e.g., to ensure standards are met, to assess where the State's buying power could be leveraged, etc.) and through discussions determined that \$10,000 would be the most appropriate amount.*

Q: What is the turnaround time for \$10,000 IT purchase approvals?

A: *OIT will respond to your request within five business days either with an approval or with questions when clarification is needed.*

Q: At what point in the IT procurement process must a department seek approval from OIT?

A: *A department needs OIT's approval before an IT expenditure greater than \$10,000 is made; however, it's up to the department to decide when to actually submit the request.*

Q: Is OIT's approval required for feasibility studies that cost more than \$10,000?

A: *Yes, because the process could eventually lead to a project. If the purchase involves IT staff and could result in an IT product or service, then it would be considered "IT."*

Q: Is OIT's approval required for software maintenance and support?

A: *Yes, because it allows us to determine if multiple agencies are purchasing the same services and potentially leverage our buying power to obtain volume discounts.*

Q: Is OIT's approval required for modifications to existing purchase orders?

A: *Yes, because we would like to know when and why the cost is higher than anticipated and if we could assist with your vendor negotiations.*

Q: Could the departments provide OIT with their asset maintenance plans for review and approval instead of having to submit each individual purchase?

A: *OIT would benefit from seeing each department's asset maintenance plan and would welcome them; however, our office still needs to review your individual expenditures.*

Q: Is OIT's approval required for stand alone equipment that have internal computers (e.g., an x-ray machine)?

A: *As a general rule, OIT only needs to approve purchases that have an associated IT expenditure object code. These are provided in the drop-down list under "Expense Type" on the IT Expense Approval Request form. However, please contact OIT if you are unsure if your specific purchase meets the criteria or if you believe your procurement is IT related but does not fit into one of the codes.*

Q: Is OIT's approval required for training that has an IT component?

A: Yes, if multiple departments are requesting the same type of training then we could potentially leverage the State's buying power and obtain lower rates.

Q: How will OIT handle the large volume of IT spending approval requests?

A: We are currently meeting the demand at this time. If necessary, the option to hire new staff is available.

Q: How long would a department need to wait for approval on their IT spending requests in cases where OIT wants to consolidate the request with another department's to get a better price?

A: Each request will be handled on a case-by-case basis. OIT will respond within five days of receiving a purchase request either with an approval or with additional questions. However, OIT will always carefully consider the business needs of each department.

Q: What if OIT denies a purchase funded through federal dollars?

A: We will handle each request individually and will address this type of issue when it arises. Consulting with OIT prior to applying for federal funds significantly increases the chances for approval. We are working to educate State employees on the Executive Order so that they are aware of our processes and the roles and responsibilities of OIT.

Q: How does OIT plan to save money through volume purchases when the departments are submitting their approval requests independently and at different times during the year?

A: OIT views this first year as our data gathering year and understands that obtaining cost savings during this period may be difficult. However, after we've gathered a year's worth of data and can see what the departments are actually purchasing, we will be able to develop an IT procurement strategy based on our analyses to bring significant savings to the State.

Q: Would OIT consider implementing a waiver for enhancements to unique or one-off systems?

A: OIT does not intend to issue a blanket waiver for these types of requests; it is possible that more than one vendor could make the necessary enhancement. However, OIT will review each request individually to determine if the circumstance necessitates a sole source purchase.

Q: If a department seeks and receives approval from OIT for the full amount of an IT-related contract, does it also need to request approval for the milestone or flat payments that occur under that contract?

A: No, if a department receives approval for the full price of the contract, it does not need to seek approval for the individual payments under that contract.

Q: Does a department need to seek OIT's approval for legislatively mandated IT purchases?

A: Yes. OIT needs to ensure that the purchase fits into the overall direction and architecture of the State and would like to assess whether alternative solutions exist and if the purchase could be extended across the enterprise.

Q: What happens when a department identifies a solution through extensive research and OIT denies the request?

A: Working with OIT early on in the procurement process will increase the chances for approval of an IT spending request. We would like to learn about your IT projects and purchases as soon as possible so we can work together to identify the solutions that best meet the needs of your department and the State. OIT is heavily involved in the budget approval process, so we should already be aware of you larger IT endeavors.

Q: Is OIT's approval needed for purchases made under contracts that are already in place?

A: OIT won't deny requests that are part of a signed contract; however, we would still like to have the data for analysis purposes. Our goal is to identify current IT spend patterns and needs so that in several months we can consolidate some of these purchases and get better prices for everyone.

Q: How does the Executive Order and its requirement for OIT review and approval of IT purchases greater than \$10,000 affect the spending of federal monies awarded for a specific IT purpose?

A: Federal grants do not always define the solution vendor; therefore, OIT could assist a department in securing a purchase that both meets the grant requirements and the needs of the enterprise. In cases where the grant specifies the vendor and purchase to be made, OIT would still need to see the request for informational purposes. OIT will not prevent a department from applying for a grant. However, it is best to involve OIT prior to applying for the grant so that we can provide guidance in relation to your IT need and potentially identify ways to leverage your purchase across other departments who may have a similar need.

Q: If a department utilizes a state price agreement to procure IT goods or services, is OIT's approval still required for expenditures greater than \$10,000?

A: Yes, OIT would still need to review and approve these requests.

Q: For service requests (e.g., telecommunications) that need to pass through DoIT first, is OIT's approval still required?

A: Yes. While DoIT does the technical review, OIT is focused on statewide strategy. Therefore, review by both entities is necessary.

Q: Will OIT ever increase the IT spend approval limit to \$25,000 or greater?

A: The \$10,000 threshold will remain through the end of FY08; however, after we have a year's worth of data and have identified enterprise solutions, the amount could increase.