

Procurement of Information Technology

5.1.9

PURPOSE

It is the policy of the City of San José to create opportunities for competition to arrive at the most economical price while meeting operational needs when acquiring Information Technology. This policy outlines the internal process of procuring Information Technology which cannot be purchased via a Citywide Open Purchase Order or through utilization of a City Procurement Card (Please refer to [City Policy Manual Section 5.1.2, City Procurement Cards](#)).

AUTHORITY

City of San José Municipal Code (Section 4.12), Council Policy 4-6 Environmentally Preferable Procurement, and Council Policy 0-35 Procurement and Contract Process Integrity and Conflict of Interest.

POLICY

It is the policy of the City of San José to acquire Information Technology which meet the City's operational requirements, in the most cost-effective and efficient manner.

This policy addresses the purchase of technology and technology related projects that require the procurement of hardware and/or software and professional related services required for the installation, configuration, training, implementation and maintenance of the system as well as software and related license and maintenance agreements.

The Finance Department/Purchasing Division ensures that the acquisition of Information Technology is made in compliance with the applicable Municipal Code sections, including but not limited to the competitive solicitation requirements, the Local and Small Business Preferences, Procurement Integrity and Conflict of Interest, and applicable insurance requirements, and that the resulting contracts are executed by duly authorized City officials.

ACQUISITION PROCEDURES

I. Processing of Purchase Requisitions:

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| Department | <ol style="list-style-type: none"> 1. Identifies the operational need to procure Information Technology. 2. Receives approval from the Information Technology Planning Board for procurements with an estimated dollar value of \$100,000 or greater. 3. Develops specifications for such Information Technology. Specifications must provide for fair and open competition, cannot be written by potential respondents to the resulting solicitation, and shall comply with Council Policy 4-6, Environmentally Preferable Procurement. |
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4. Receives approval of specifications from the Information Technology Department.
5. Complies with provisions of [City Policy Manual Section 5.1.1, Procurement and Contract Processing Integrity and Conflict of Interest – Administrative Procedures](#).
6. For requirements with an estimated value above \$10,000, identifies the evaluation factors and respective weights of these evaluation factors and submits them with the specifications. If warranted, the Department submits a “Request for Approval of Brand Name/Sole Source Procurement” in accordance with [City Policy Manual Section 5.1.4, Brand Name and Sole Source Procurements](#).
7. If the procurement’s estimated value exceeds \$1 million, submits a “Request to Develop a Source Selection Plan” in accordance with [City Policy Manual Section 5.1.3, Source Selection Plan](#).
8. If grant funds are used to purchase services, informs Finance/Purchasing that a portion of or all of the procurement will be funded with grant funds in accordance with [City Policy Manual Section 5.1.6, Procurements with Grant Funds](#). The Department shall also transmit a copy of all relevant grant purchasing regulations.
9. Submits an email with detailed specifications and applicable information as required by aforementioned policies.
10. Includes contact information about vendors who may be qualified to provide the solution.
11. Visits Finance/Purchasing Intranet site (<http://www.sjcity.net/index.aspx?nid=251>) for detailed information about these processes and any budget control measures and respective processes issued by the City Manager’s Budget Office.
12. Reviews specifications to ensure compliance with Citywide technology infrastructure and requirements.

Information
Technology
Department

II. Processing of Solicitations:

Finance/
Purchasing

1. Reviews the requirement and requests further information from the department contacts, as needed.
2. Requests determination of appropriate insurance levels from Risk Management.
3. Issues solicitation in accordance with the City’s Municipal Code.

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4. Acts as single point of contact for the solicitation, any questions or clarifications about the solicitation with the department contact.
5. Receives solicitation responses and forwards the technical responses to the Department.
6. Facilitates the evaluation process.
- Department 7. Reviews and evaluates technical response information.
8. Communicates the final technical evaluation to Finance/Purchasing in writing.
- Finance/
Purchasing 9. Tabulates the cost responses, technical evaluation scores, and final scores, including the local and small business preference.
10. Issues Notices of Intent to Award contract, which starts the 10-day protest period.
11. Responds to protests received, if any.

III. Issuance of Purchase Orders or Execution of Agreement

- Finance/
Purchasing 1. If the solicitation is above \$250,000, processes Council Memorandum for award of contract.
- Department 2. Assists Finance/Purchasing with processing of Council Memorandum, including but not limited, writing or providing information for the Outcome, Background, and Budget Reference sections.
3. Provides input to an agreement, if applicable.
- Finance/
Purchasing 4. Negotiates agreement in consultation with Department, if applicable.
5. Develops agreement, if applicable, and forwards for review to the City Attorney's Office.
6. Receives signed copy of agreement from contractor prior to award of contract by Council.
7. Issues and distributes purchase order or Agreement copies to department, vendor, and accounts payable, and City Clerk as applicable.
8. Files purchase order copy or agreement in accordance with approved retention schedule.

IV. Contract Administration

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Department/
Contract
Administrator

1. Authorizes services to be rendered in accordance with the purchase order or agreement.
2. Assures that contractor provides services in accordance with the Purchase Order or Agreement.
3. Identifies non-compliance of services provided and meets with contractor to rectify the issues. If services were not provided as required by the purchase order or agreement, deducts appropriate amounts as identified by the purchase order or agreement.
4. Authorizes payment by signing off on invoices in accordance with the Purchase Order or Agreement.
5. Forwards approved invoices to departmental Accounts Payable section.

V. Payment Processing

Department/
Accounts Payable

1. Receives approved invoice from Contract Administrator.
2. Ensures that invoices are mathematically correct.
3. Enters appropriate payment data into the City's Financial Management System for payment of invoices received to generate an edit list.
4. Forwards edit list, approved invoice, and any other applicable back-up documentation to Finance/Accounts Payable.

Finance/Accounts
Payable

5. Reviews documentation and issues payment during the payment cycle requested by Department after receiving approved invoices and applicable documentation.
6. Retains all original documentation in accordance with the Finance Department retention schedule.

/s/ Scott P. Johnson
Director of Finance

May 22, 2008
Date

Approved:

/s/ Christine Shippey
Assistant City Manager

May 22, 2008
Date