

# ITS and State CIO Responsibilities



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<b>Qualifications, appointment and duties of the State Chief Information Officer</b>	<b>Notes</b>	<b>Statute</b>
<p>(a) State CIO must manage and administer ITS.</p> <p>(b1) State CIO must:</p> <p>Develop and administer a comprehensive, long-range plan to ensure the proper management of the state's IT resources</p> <p>Set technical standards for information technology</p> <p>Review and approve major information technology projects</p> <p>Review and approve state agency IT budget requests</p> <p>Establish IT security standards</p> <p>Provide for the procurement of IT resources</p> <p>Develop a schedule for the replacement or modification of major systems</p> <p>Authorizes State to adopt rules to implement this Article.</p>		<p><a href="#">G.S. 147-33.76</a></p>

<b>Governance in Cabinet agencies</b>	<b>Notes</b>	<b>Executive Order</b>
<p>Executive Order 30, signed by Gov. Pat McCrory on Nov. 7, 2013, directed each Cabinet secretary to appoint a Cabinet Chief Information Officer (CCIO) or combine with another agency, as agreed by the secretary/director and State CIO (SCIO).</p> <p>Each CCIO reports to the secretary/director and/or the SCIO and is a member of the ONE IT Executive Leadership Team (ELT).</p> <p>ONE IT ELT must meet regularly to modernize IT operating model, enterprise architecture, innovation, shared services, project management, security and vendor management.</p> <p>By Feb. 1, 2014, each CCIO must submit a Collaboration and Innovation Plan to the secretary/director and State CIO. Plan must demonstrate how the agency will, no later than July 1, 2014, support the most efficient operating model for the delivery of IT.</p> <p>By March 1, 2014, State CIO, in conjunction with CCIOs, will develop a Unite IT Strategy defining IT and platform services for all cabinet agencies. State CIO will present strategy to secretaries/directors and the Governor.</p> <p>Beginning March 2014, SCIO, in conjunction with each CCIO, will conduct compliance reviews annually to ensure full compliance with all statutes, regulations, policies, standards and contractual obligations related to information security and information technology. Results of reviews will be reported to the secretaries/directors and the Governor.</p>	<p>Note: An executive order does not carry the force of law</p>	<p><a href="#"><u>Executive Order No. 30</u></a></p>

ITS Organization and Operation	Notes	Statute
<p>(a) Authorizes State CIO to appoint one or more Deputy CIOs and all employees, including legal counsel, necessary to carry out powers and duties of the office.</p> <p>(b) Places all ITS employees under supervision of State CIO. Except as otherwise provided by this Article, State CIO may assign any function vested in State CIO or ITS to any subordinate officer or employee.</p> <p>(c) Authorizes State CIO, subject to <a href="#">GS. 147-64.7(b)(2)</a> (i.e. State Auditor’s authority), to obtain services of public accountants and others.</p> <p>(d) Gives State CIO legal custody of all books and other records.</p> <p>(e) Makes State CIO responsible for preparation and presentation of budget request.</p> <p>(f) Gives State CIO authority to adopt regulations for the administration of the office.</p> <p>(g) Authorizes State CIO to require background checks of any employee or prospective employee by the SBI.</p>	<p>Provision making all ITS employees subject to State Personnel Act eliminated by Sect. 4.1 and <a href="#">Sect. 4.2 SL 2013-382</a>, which added ITS to agencies with positions exempt by the Governor.</p>	<p><a href="#">G.S. 147-33.77</a></p>
<p>Except as otherwise specifically provided by law, Article does not apply to the General Assembly, the Judicial Department or the university system and its constituent institutions.</p> <p>These agencies may participate in ITS programs, services or contracts, including procurement, in accordance with the statutes, policies and rules of ITS.</p>		<p><a href="#">G.S. 147-33.80</a></p>

<b>ITS Rules</b>		<b>Statute</b>
Standards adopted by ITS applied to information technology as defined by G.S. 147-33.81 are not rules.	Exclusion added by <a href="#">SL 2013-188, s. 7</a>	<a href="#">G.S. 150B-2(8a)(l)</a>
<b>ITS Functions</b>		<b>Statute</b>
<p>(a) In addition to any other functions required by this Article, ITS must:</p> <p>(1) Procure all information technology for State agencies, as provided in Part 4 of the Article</p> <p>(2) Submit for approval of OSBM all rates and fees for common, shared State government-wide technology services provided by the Office on a fee-for-service basis and not covered by another fund.</p> <p>(3) Conduct an annual assessment of State agencies for compliance with statewide IT policies</p> <p>(4) Develop standards, procedures and processes to implement policies approved by the State CIO</p> <p>(5) Review state agency management of State information technology resources for compliance with this Article.</p> <p>(6) Review state agency implementation of statewide information technology management efforts of State government for compliance with this Article</p> <p>(7) Repealed.</p> <p>(8) Develop a project management, quality assurance and architectural review process for projects that require review and approval under <a href="#">G.S. 147-33.72C(a)</a></p> <p>(b) Notwithstanding any other provision of law, local governmental entities may use the IT programs, services or contracts offered by ITS, including procurement, in accordance with the statutes, rules and policies of ITS. Local governmental entities include local school administrative units and community colleges.</p>	<p>GS 147-33.72C modified by SL <a href="#">2013-360</a>, SL <a href="#">2013-329</a>, SL <a href="#">2013-188</a></p> <p>Note: Community Colleges are not required to utilize IT procurement by this statute, but are referred to IT procurement by DOA because DOA lacks procurement authority for IT.</p>	<a href="#">G.S. 147-33.82</a>

<p>Local governmental entities are not required to comply with otherwise applicable competitive bidding requirements when using contracts established by ITS.</p> <p>Any other state entities may also use the IT programs, services or contracts offered by ITS, including IT procurement, in accordance with statutes, policies and ITS rules.</p>		
<p><b>ITS Resources Centers and Services</b></p>	<p><b>Notes</b></p>	<p><b>Statute</b></p>
<p>(a) ITS has the powers and duties to:</p> <p>(1) Establish and operate resource centers and provide services to serve two or more departments on a cost-sharing basis, if the State CIO, after consultation with OSBM, decides it is advisable from the standpoint of efficiency and economy to establish the centers and services.</p> <p>(2) With approval of OSBM, charge each department its proportionate share of the cost of maintaining and operating the shared services it uses</p> <p>(3) Require any department served to transfer to ITS ownership, custody or control of information processing equipment, supplies and positions required by the shared centers and services</p> <p>(4) Adopt reasonable rules for the efficient and economical management and operation of the shared centers, services and the integrated state telecommunications network</p> <p>(5) Adopt plans, policies, procedures, and rules for the acquisition, management and use of information technology resources in the departments affected by this section to facilitate more efficient and economic use of information technology</p> <p>(6) Develop and promote training programs to efficiently implement, use and manage information technology resources</p> <p>(7) To provide cities, counties and other local governmental units with access to ITS</p>	<p><i>Note: This section does not apply to the Department of Justice if it does not elect to participate.</i></p>	<p><a href="#">G.S. 147-33.83</a></p>

<p>services on the same basis as state agencies</p> <p>(b) No data of a confidential nature, as defined by state or federal law, may be entered into or processed through any cost-sharing information resource center or network until safeguards for the data's security satisfactory to the department head and State CIO have been designed and installed and fully operational. Nothing in this section may be construed to prescribe what programs to satisfy a department's objectives are to be undertaken, or to remove from the control and administration of the departments the responsibility for program efforts.</p> <p>(c) Notwithstanding any other provision of law, ITS must provide services on a cost-sharing basis to the General Assembly as requested by the Legislative Services Commission.</p>		
<p>Authorizes Department of Revenue to deviate from any provision in <a href="#">G.S. 147-33.83(a)</a>.</p>		<p><a href="#">G.S. 147-33.84</a></p>
<p><b>Telecommunications Services</b></p>	<p><b>Notes</b></p>	<p><b>Statute</b></p>
<p>(a) State CIO shall exercise general coordinating authority for all telecommunications matters relating to the internal management and operations of state agencies.</p> <p>In discharging responsibility, State CIO, in cooperation with affected agency heads, may:</p> <p>(1) Provide for the establishment, management and operation, through State ownership, contract, or commercial leasing, of the following systems as they affect the internal management and operation of State agencies:</p> <ul style="list-style-type: none"> <li>a. Central telephone systems and telephone networks</li> <li>b. Repealed</li> <li>c. Repealed</li> <li>d. Satellite services</li> <li>e. Close-circuit TV systems</li> </ul>	<p>(b) Section does not apply to the Criminal Information Division of the Department of Justice or to the Judicial Information System in the Judicial Department.</p>	<p><a href="#">G.S. 147-33.91</a></p>



<p>f. Two-way radio systems  g. Microwave systems  h. Related systems based on telecommunications technologies  i. The “State Network,” managed by the office, which means any connectivity designed for the purpose of providing Internet Protocol transport of information to any building.</p> <p>(2) Coordinate the development of cost-sharing systems for respective user agencies for their proportionate parts of the cost and maintenance of systems spelled out in (a)(1)</p> <p>(3) Assist in the development of coordinated telecommunications or services within and among all state agencies and recommend cooperative utilization of telecommunication facilities by aggregating users</p> <p>(4) Perform traffic analysis and engineering for all telecommunications services listed in subdivision (1)</p> <p>(5) Establish telecommunications specifications and designs so as to promote and support compatibility of the systems within state agencies</p> <p>(6) Coordinate the review of requests by state agencies for the procurement of telecommunications systems or services</p> <p>(7) Coordinate the review of requests by state agencies for state government property acquisition, disposition, or construction for telecommunications system requirements</p> <p>(8) Provide a periodic inventory of telecommunications costs, facilities, systems, and personnel within state agencies.</p> <p>(9) Promote, coordinate and assist in the design and engineering of emergency telecommunications systems including, but not limited to, the 911 emergency telephone number program, Emergency Medical</p>	<p><a href="#">SL 2013-188</a> removed references to the Secretary of Administration’s oversight for (5), (6) and (7). See <a href="#">SL 1989-239</a> for historical reference.</p>	
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<p>Services, and other emergency telecommunications services.</p> <p>(10) Perform frequency coordination and management for state agencies and local governments, including all public safety radio service frequencies, in accordance with the rules and regulations of the Federal Communications Commission</p> <p>(11) Advise all state agencies on telecommunications management planning and related matters and provide training to users within state agencies in telecommunications technology and systems</p> <p>(12) Assist and coordinate the development of policies and long-range plans, consistent with the protection of citizens' rights to privacy and access to information, for the acquisition and use of telecommunications systems, and base such policies and plans on current information about state telecommunications activities in relation to the full range of emerging technologies</p>		
<p><b>Telecommunications Services for Local Government and Other Entities</b></p>	<p><b>Notes</b></p>	<p><b>Statute</b></p>
<p>(a) State CIO must provide cities, counties and other local government entities with access to a central telecommunications system or service established under <a href="#">G.S. 147-33.91</a> for state agencies. Services must be on the same cost basis as that applies to state agencies.</p> <p>(b) State CIO must establish broadband telecommunications and permit, in addition to state agencies, cities, counties and other local government entities, the following organizations and entities to share on a not-for-profit basis:</p> <p>(1) Nonprofit educational institutions</p> <p>(2) MCNC and research affiliates of MCNC for use only in connection with research activities sponsored or funded in whole or in part by MCNC, if such research</p>	<p><a href="#">SL 2013-188</a> removed a non-specific reference to MCNC and left (2) remaining.</p>	<p><a href="#">G.S. 147-33.92</a></p>

<p>activities relate to health care or education in North Carolina</p> <p>(4) Agencies of the US government operating in North Carolina for use only in connection with activities that relate to health care or education in North Carolina</p> <p>(5) Hospitals, clinics or other health care facilities for use only in connection with activities that relate to health care or education in North Carolina.</p>		
<b>Statewide IT Planning</b>		<b>Statute</b>
<p>(a) State CIO shall develop a biennial State Information Technology Plan and submit to the General Assembly by February 1 of each regular session.</p> <p>(b) Plan must include:</p> <p>(1) Inventory of current IT assets and major projects under way</p> <p>(2) Evaluation of significant unmet needs over five-year time period, ranked by priority</p> <p>(3) Financial requirements of unmet needs and recommended funding schedule for each project in progress or recommended for upcoming biennium</p> <p>(4) Analysis of statewide opportunities that would yield significant efficiencies or improve effectiveness.</p> <p>(c) Each executive agency must develop an agency plan biennially that includes the same information as the statewide plan. ITS must assist agencies in preparation of the plan, which must be submitted to the State CIO by October 1 of each even-numbered year.</p>	<p><a href="#">SL 2013-329</a> removed the monetary threshold for IT projects.</p>	<p><a href="#">G.S. 147-33.72B</a></p>
<p>(a) ITS must analyze the state's legacy IT systems and develop a plan to ascertain the needs, costs and time frame required for agencies to progress to more modern IT systems</p> <p>(b) In conducting the assessment, ITS must:</p>	<p>Plans due to the General Assembly on the opening day of each biennial session</p>	<p><a href="#">G.S. 147-33.90</a></p>

<p>(1) Examine the hierarchical structure and interrelated relationships within and between State agency legacy systems</p> <p>(2) Catalog and analyze the portfolio of legacy applications in use in State agencies and consider the extent to which new applications could be used concurrently with, or should replace, legacy systems</p> <p>(3) Consider issues related to migration from legacy environments to Internet-based and client/server environments, and related to the availability of programmers and other IT professionals with the skills to migrate legacy applications to other environments</p> <p>(4) Study any other issue relative to the assessment of legacy information technology systems in State agencies.</p> <p>(c) Initial phase of study, including a cost estimate and time line for modernization, due January 31, 2005.</p> <p>ITS must submit an ongoing, updated report on modernization needs, costs and time lines for agency legacy systems on the opening day of each biennial session of the General Assembly</p>		
<p>State CIO must review and evaluate IT expansion budget requests, and provide statements that take into consideration the State's current technology, the opportunities for technology sharing, the requirements of <a href="#">Article 3D of Chapter 147</a> of the General Statutes, and any other factors relevant to the analysis, and sets forth viable alternatives, if any, for meeting the agency needs in an economical and efficient manner.</p>	<p>Sect. 6.12(j) of <a href="#">S.L 2013-360</a> (Appropriations Act) removed exemption for university system and requires a review and evaluation of University requests.</p>	<p><a href="#">G.S. 143C-3-3(e)</a></p>

<b>Budgeting and Finance</b>		<b>Statute</b>
<p>Jointly with OSBM and the State Controller, ITS must develop a system for budgeting and accounting of expenditures for IT operations, services, projects, The system must include hardware, software, personnel, training, contractual services and other items relevant to information technology, and the sources of funding for each.</p> <p>Annual reports coordinated by ITS with OSBM and the State Controller and submitted to the Governor and General Assembly on or before October 1 each year.</p>		<p><a href="#">G.S. 147-33.87</a></p>
<p>(a) The Office of Information Technology Services (ITS) shall develop an annual budget for review and approval by the Office of State Budget and Management (OSBM) in accordance with a schedule prescribed by the Director of the Office of State Budget and Management. The approved Information Technology Internal Service Fund budget shall be included in the Governor's budget recommendations to the General Assembly. The Office of State Budget and Management shall ensure that State agencies have an opportunity to adjust their budgets based on any rate changes proposed by the Office of Information Technology Services and approved by the Office of State Budget and Management.</p> <p>(b) ITS must report to IT Oversight and Fiscal Research Division on the Internal Service Fund on a quarterly basis, no later than the first day of the second month following the end of the quarter.</p> <p>Report must include current cash balances, line-item detail on expenditures from the previous quarter, and anticipated expenditures and revenues.</p> <p>Also must include expenditures for the upcoming quarter, projected year-end balance and the status report on personnel changes including new positions created and existing positions eliminated.</p> <p>Spending reports must comply with the State</p>	<p>Modified by <a href="#">SL 2013-360</a></p>	<p><a href="#">G.S. 147-33.88</a></p>

Accounting System object codes.		
<p>Money must be appropriated from the IT Fund to support the operation and administration of the Office of State CIO.</p> <p>State CIO must report on all expenditures from the IT Fund in the previous fiscal year to the IT Oversight Committee by October 1 of each year.</p>	<p>Modified by <a href="#">SL 2013-329</a></p> <p>Note: FRD has requested quarterly, not annual, reports on the IT Fund.</p>	<p><a href="#">G.S. 147-33.72H</a></p>
<b>Project Approval and Oversight</b>		<b>Statute</b>
<p>(a) State CIO must:</p> <p>(1) Review all State agency IT projects whether undertaken in a single phase or component or in multiple phases or components.</p> <p>State CIO must approve projects if it meets quality assurance requirements.</p> <p>(2) Establish thresholds for determining which information technology projects costing \$500,000 or less subject to approval under (a)(1)</p> <p>(b) If project not approved, State CIO must specify in writing grounds for denying the approval, and provide information to the agency within five business days.</p> <p>(c) State CIO may suspend project approval if project no longer meets applicable quality assurance standards. If suspended, State CIO must specify in writing the grounds for suspension, and notify agency within five business days.</p> <p>ITS must report suspension to State Controller and Office of State Budget and Management.</p> <p>OSBM cannot allow additional spending for non-approved project</p> <p>(d) All contracts between a state agency and a vendor must include provisions for vendor performance and accountability. State CIO may require a performance bond or other performance measures.</p>	<p><a href="#">S.L. 2013-329</a> eliminated the \$500,000 threshold for State CIO project approval.</p> <p>Note: Denial of project or suspension of approval subject to appeal under <a href="#">G.S. 147-33.72D</a></p> <p>Performance bond and cost savings language added by <a href="#">SL 2013-188</a>, <a href="#">2013-329</a></p>	<p><a href="#">G.S. 147-33.72C</a></p>

<p>State CIO may utilize cost savings realized on government-vendor partnerships as performance incentives.</p> <p>(e) State CIO may require services of private legal counsel or outside subject matter expert on any IT project with a total cost of ownership over \$5 million.</p>		
<p>(a) State agencies must appoint one or more project managers for projects that are subject to State CIO approval. Project manager subject to State CIO review and approval.</p> <p>(b) State CIO must appoint project management assistant for any project expected to cost more than \$1 million. State CIO may designate a project management assistant for any other IT project.</p> <p>Project management assistant must advise the agency with the initial planning of a project, the content and design of any request for proposals, contract development, procurement, and architectural and other technical reviews. Also must monitor agency progress in the development of a project, and provide status reports to the State CIO, including recommendations regarding continued approval of the project.</p>		<p><a href="#">G.S. 147-33.72E</a></p>
<p align="center"><b>Government Data Analytics Center (GDAC)</b></p>		
<p>The Government Data Analytics Center (GDAC) in the State Controller’s Office is the state’s business intelligence initiative.</p>	<p>Section 7.10(f) of SL 2013-360 (Appropriations Act) requires development of a plan to transition GDAC, CJLEADS and NCFACFS from OSC to ITS, and 7.10 (g) transfers GDAC to the State CIO as a Type I transfer, effective July 1, 2014.</p>	<p>G.S. 143B-426.38A (Not yet online)</p> <p><a href="#">S.L. 2013-360</a></p>
<p align="center"><b>Procurement</b></p>		<p align="center"><b>Statute</b></p>
<p>ITS shall establish procedures for the procurement of information technology. Procedures may include may include</p>		<p><a href="#">G.S. 147-33.72F</a></p>

<p>aggregation of hardware purchases, formal bid procedures, restrictions on supplemental staffing, enterprise software licensing, hosting and multiyear maintenance agreements. Procedures may require agencies to submit IT procurement requests to ITS on Oct. 1, Jan. 1 and June 1 to allow for bulk purchasing.</p>		
<p>(a) Notwithstanding any other provision of law, ITS must procure all information technology for state agencies. ITS shall integrate technological review, cost analysis and procurement for all IT needs of state agencies.</p> <p>All contract information is public record after the award of the contract.</p> <p>Trade secrets, test data similar proprietary information and security information protected under <a href="#">G.S. 132-6.1</a> may remain confidential.</p> <p>(b) ITS shall have the authority and responsibility to:</p> <p>(1) Purchase or contract for all IT in state government, or any of its departments, institutions covered by this Part. ITS may authorize any state agency covered by this Part to purchase or contract for information technology.</p> <p>(2) Establish processes, specifications and standards that shall apply to all information technology to be purchased, licensed or lease in state government or any of its departments, institutions or agencies covered by this Part.</p> <p>(2a) Establish procedures to permit state agencies and local government agencies to use the General Services Administration (GSA) Cooperative Purchasing Program to purchase IT.</p> <p>(3) Comply with the State-government wide technical architecture, as required by the State CIO.</p>		<p><a href="#">G.S. 147-33.95</a></p>



<p>(4) If state agency wants to enter into a cooperative purchasing agreement, must first obtain approval by State CIO. Upon receiving a request to use a cooperative purchasing agreement, State CIO must evaluate the need; review the specifications, terms and conditions, and obtain legal advice. Prior to granting approval, State CIO must find the agreement was awarded pursuant to a competitive bidding process and the agency will obtain the best value pursuant to <a href="#">G.S. 143-135.9</a> by using the agreement. Upon approval by the State CIO, agencies may use the agreement without further approval. Agencies must report periodically to the State CIO regarding use of agreements.</p> <p>(5) The State CIO shall establish procedures for the utilization of cooperative purchasing agreements.</p> <p>(e) Office may use the electronic procurement system established by <a href="#">G.S. 143-48.3</a> to conduct reverse auctions and electronic bidding.</p> <p>(f) Office shall adopt rules consistent with this section.</p> <p>(g) No contract subject to the provisions of this Part may be entered into unless the contractor and the contractor's subcontractors comply with the requirements of Article 2 of Chapter 64 of the General Statutes.</p>	<p>Added by <a href="#">SL 2013-333</a> Note: Definition of cooperative purchasing agreement is in <a href="#">G.S. 147-33.81</a>.</p> <p><a href="#">SL 2013-333</a></p> <p><a href="#">SL 2013-418</a> added verification of work authorization; e.g. E-Verify.</p>	
<p>(e) All contracts between a state agency and a vendor must include provisions for vendor performance and accountability. The State CIO may require that these contract provisions require a performance bond, include monetary penalties, or require other performance assurance measures for projects that are not completed or performed within the specified time period or that involve costs in excess of those specified in the contract. The State CIO may utilize cost savings realized on government-vendor partnerships, as defined in G.S. 143-135.9, as performance incentives for an information technology project vendor.</p>	<p>Mod: SL 2013-188, SL 2013-329, SL 2013-360, s. 7.7.(d)</p>	<p><a href="#">G.S. 147-33.72C</a></p>

<p>(f) Notwithstanding the provisions of G.S. 114-2.3, any State agency developing and implementing an information technology project with a total cost of ownership in excess of five million dollars (\$ 5,000,000) may be required by the State Chief Information Officer to engage the services of private counsel or subject matter experts with the appropriate information technology and intellectual property expertise. The private counsel or subject matter expert may review requests for proposals; review and provide advice and assistance during the evaluation of proposals and selection of any vendors; and review and negotiate contracts associated with the development, implementation, operation, and maintenance of the project. This requirement may also apply to information technology programs that are separated into individual projects, if the total cost of ownership for the overall program exceeds five million dollars (\$ 5,000,000).</p>	<p>Mod: SL 2013-329</p>	
<p>(a) All state agencies covered by this Part shall use contracts for information technology acquired by the Office for any information technology required by the State agency that is provided by these contracts.</p> <p>Notwithstanding any other statute, the authority of State agencies to procure or obtain information technology shall be subject to compliance with the provisions of this Part. The Office shall have the authority of State agencies to procure or obtain information technology as otherwise provided by statute.</p> <p>(b) Local government entities are not required to comply with otherwise applicable competitive bidding requirements when using contracts offered by the Office.</p>		<p><a href="#">G.S. 147-33.96</a></p>
<p>(a) All State agencies covered by this part shall cooperate with the Office in efforts to encourage the use of small, minority, physically handicapped, and women contractors.</p>		<p><a href="#">G.S. 147-33.97</a></p>

<p>(a1) A vendor submitting a bid must disclose in a statement, provided contemporaneously with the bid, whether any services under that contract, including any subcontracts, are anticipated to be performed outside the United States.</p> <p>(a2) The State Chief Information Officer must retain the statements requires by subsection (a1) and report annually to the Secretary of Administration on the number of contracts that are anticipated to be performed outside the United States.</p> <p>(b) Every State agency that makes a direct purchase of information technology using the services of the Office must report directly to the Department of Administration all information required by <a href="#">G.S. 143-48(b)</a>.</p>		
<p>(a) Makes it unlawful for any person to purchase any property or services for private use or benefit.</p> <p>(b) Prohibition does not apply if department, institution or agency has established policies and procedures permitting such purchases or procurement by a class or classes of persons or the public benefit or convenience and policies and procedures are complied with.</p> <p>(c) Violation is a Class 1 misdemeanor.</p>		<a href="#">G.S. 147-33.98</a>
<p>Prohibits State CIO and Chief Deputy State CIO from having any personal financial interest in any information technology, contract or firm furnishing IT to State government.</p> <p>Prohibits all ITS employees from receiving anything of any value from a vendor or potential vendor.</p> <p>Violation is a Class F felony; a person found guilty must be removed from State office or employment.</p>		<a href="#">G.S. 147-33.99</a>
<p>Office must require bidders to certify that each bid submitted competitively and without collusion. False certification a Class I felony.</p>		<a href="#">G.S. 147-33.100</a>
<p>(a) When dollar value of a contract for IT</p>	<a href="#">SL 2013-234</a> replaced the	<a href="#">G.S. 147-</a>

<p>procurement exceeds benchmark established by State CIO, an award recommendation must be submitted to the State CIO for approval or other action.</p> <p>(b) Before submission for any contract for the benefit of ITS and not on behalf of a State agency, the Director of the Budget must review and approve the procurement to ensure compliance with the established processes, specifications and standards, and compliance with the statewide technical architecture.</p> <p>(c) State CIO must provide a report on all contract awards approved through Statewide IT Procurement Office. Report must include amount, contract term, recipient, using agency and a short description of the nature of the contract.</p> <p>Reports on contracts &gt;\$25,000 to co-chairs of IT Oversight, on a monthly basis.</p> <p>Reports on contracts “outside the established purchasing system, to the Secretary of DOA on a quarterly basis.</p>	<p>former Board of Award review with review by the SCIO.</p>	<p><a href="#">33.101</a></p>
<p>Any employee or official who violates procurement laws (i.e. Part 4 of Article 3D) is liable to the state to repay any amount spent in violation of this Part, and with any court costs.</p>		<p><a href="#">G.S. 147-33.102</a></p>
<p>At the request of the State CIO, the Attorney General must provide legal advice and services necessary to implement this Part.</p>		<p><a href="#">G.S. 147-33.103</a></p>
<p>(a) Exemptions for General Assembly, Judicial Department and university system do not apply to this section.</p> <p>(b) No State agency, political subdivision or other public body may purchase computer equipment or televisions, or enter into a contract with any manufacturer the Secretary determines is not in compliance with the requirements of <a href="#">G.S. 130A-309.134</a> or <a href="#">G.S. 130A-309.135</a>, as determined from the list provided by DENR under <a href="#">G.S. 130A-309.138</a>.</p> <p>(c) ITS must make the list available to political subdivisions and other public</p>		<p><a href="#">G.S. 147-33.104A</a></p>

<p>bodies. A manufacturer not in compliance with the law shall not sell or offer to sell any computer equipment or television.</p>		
<p align="center"><b>Procurement of Refurbished Computers</b></p>		
<p>State CIO and DOA must offer state and local government entities the option of purchasing refurbished computer equipment from registered refurbishers whenever most appropriate to meet the needs.</p> <p>State and local governments must document savings and report quarterly to the State CIO.</p> <p>IT Procurement Office (sic) must administer the program by establishing a competitive purchasing process.</p> <p>Refurbishers must meet all procurement requirements established by the State CIO and DOA.</p> <p>State CIO must maintain data on equipment reliability, potential cost savings and any issues and report quarterly to IT Oversight and Fiscal Research, beginning March 1, 2014.</p>		<p><a href="#">S.L. 2013-128</a></p>
<p><b>Procurement provisions in G.S. 143</b></p>		<p><b>Statute</b></p>
<p>(a) Department of Administration must consult with ITS and others in development and maintenance of electronic or digital standards for procurement</p> <p>(a1) Department of Administration must comply with state government-wide technical architecture for IT, as required by the State CIO.</p> <p>(b) Department of Administration, in conjunction with ITS and others, may, upon request, provide training in the use of the e-procurement system.</p> <p>(c) Department of Administration must utilize ITS as an application service provider for the e-procurement system. ITS must operate the system, through State ownership or commercial leasing, in accordance with the requirements and operating standards</p>		<p><a href="#">G.S. 143-48.3</a></p>

<p>adopted by DOA and the financial and accounting procedures of the State Controller.</p> <p>(f) Any state entity or community college operating a functional electronic procurement system established prior to September 1, 2001, may until May 1, 2003, continue to operate that system independently or may opt into the North Carolina E-Procurement Service.</p> <p>Each entity subject to this section must notify ITS by January 1 of each year of its intent to participate in the e-procurement service.</p>		
<p>Secretary of Administration may adopt temporary rules for the implementation and operation of a procurement card program in accordance with the payment policies of the State Controller after consultation with ITS.</p> <p>Prior to implementing procurement card program, Secretary of Administration must consult with ITS and others.</p> <p>Secretary may periodically adjust the order limit authorized in this section after consulting with ITS and others.</p>		<p><a href="#">G.S. 143-49(8)</a></p>
<p>(a) Award Recommendation. - When the dollar value of a contract to be awarded under Article 3 of Chapter 143 of the General Statutes exceeds the benchmark established pursuant to G.S. 143-53.1, an award recommendation shall be submitted to the State Purchasing Officer for approval or other action. The State Purchasing Officer shall promptly notify the agency or institution making the recommendation, or for which the purchase is to be made, of the action taken.</p> <p>(e) The State Procurement Officer shall provide a monthly report of all contract awards greater than twenty-five thousand dollars (\$ 25,000) approved through the Division of Purchase and Contract to the Cochairs of the Joint Legislative Committee on Governmental Operations. The report shall include the amount of the award, the award recipient, the using agency, and a short description of the nature of the award.</p>	<p><a href="#">SL 2013-234</a> abolished the Board of Awards.</p>	<p><a href="#">G.S. 143-52.1</a></p>

<p>Purchase of supplies, materials and equipment through the Secretary of Administration is not mandatory for information technology purchased in accordance with <a href="#">Article 3D of Chapter 147</a> of the General Statutes.</p>		<p><a href="#">G.S. 143-56</a></p>
<p>Exempts purchases of information technology through contracts established by the State Office of Information Technology Services as provided in <a href="#">G.S. 147-33.82(b)</a> and <a href="#">G.S. 147-33.92(b)</a> from <a href="#">Article 8 of G.S. 143</a>, Public Contracts.</p>		<p><a href="#">G.S. 143-129(e)(7)</a></p>
<p>(a) Allows political subdivisions of the state to contract for information technology, as defined in <a href="#">G.S. 147-33.81(2)</a>, using procedure set out in this section, in addition to or instead of any other procedure set out in state law.</p> <p>(b) IT contracts may be entered into under a request for proposals that satisfies the following minimum requirements:</p> <p>(1) Notice of RFP must be given in accordance with G.S. 143-129(b).</p> <p>(2) Contracts must be awarded to the person or entity that submits the best overall proposal as determined by the awarding authority. Factors to be considered in awarding contracts must be identified in the request for proposals.</p> <p>(c) Awarding authority may use procurement methods set out in G.S. 143-135.9 in developing and evaluating requests for proposals under this section.</p> <p>Awarding authority may negotiate with any proposer in order to obtain a final contract that best meets the needs of the awarding authority. Negotiations must not alter the contract beyond the scope of the original RFP in a matter that (i) deprives the proposers or potential proposers of a fair opportunity to compete for the contract and (ii) would have resulted in the award of the contract to a different person or entity if the alterations had been included in the RFP.</p>		<p><a href="#">G.S. 143-129.8</a></p>

<p>(d) Proposals submitted under this section not subject to public inspection until a contract is awarded.</p>		
<p>Acquisition of information technology by the State must be conducted using the Best Value procurement method. Business process reengineering, system design and technology implementation may be combined into a single solicitation.</p> <p>For acquisitions deemed highly complex where the optimal solution to the business problem at hand is not known, solution-based solicitations and government-vendor partnerships are authorized and encouraged.</p> <p>Any county, city, town or subdivision of the State may acquire information technology pursuant to this section.</p>		<p><a href="#">G.S. 143-135.9(c)</a></p>
<p><b>Security and Business Continuity Planning</b></p>		<p><b>Statute</b></p>
<p>State CIO must establish a statewide set of standards for information technology security to maximize the functionality, security and interoperability of the state's distributed information technology assets</p> <p>State CIO must review and revise the security standards annually.</p> <p>State CIO may assume the direct responsibility of providing for the information technology of any state agency that fails to adhere to security standards.</p>		<p><a href="#">G.S. 147-33.110</a></p>
<p>(a) Notwithstanding <a href="#">G.S. 143-48.3</a> or any other provision of law, except as provided by this section, all information technology security purchased with state funds, or for use by a state agency or in a state facility, is subject to approval by the State CIO in accordance with the security standards adopted under this Article.</p> <p>(a1) State CIO must conduct assessments of information system security (and) network vulnerability, including network penetration or any similar procedure.</p> <p>State CIO may contract with another party or</p>	<p><a href="#">SL 2013-188</a> added "information security"</p>	<p><a href="#">G.S. 147-33.111</a></p>



<p>parties to conduct the assessments.</p> <p>Detailed reports of the security issues identified must be kept confidential as provided by <a href="#">G.S. 132.61(c)</a>.</p> <p>(b) Legislative branch, judicial branch, UNC and constituent institutions, local school administrative units and community college system exempt from purchasing requirement if they develop own security standards that are comparable to or exceed those adopted by the State CIO.</p> <p>State CIO must consult with those entities in reviewing the security standards adopted by them.</p> <p>(c) State agency must notify the State CIO and gain approval before entering into any contract with another party for an assessment of information system security or network vulnerability. State agency must provide the State CIO with copies of the detailed reports of the security issues identified and the reports must not be disclosed as provided in <a href="#">G.S. 132-6.1(c)</a>.</p>		
<p>State CIO must assess periodically the ability of each agency and each agency’s vendors to comply with the current enterprise-wide security standards.</p> <p>Assessment must include, at a minimum, the rate of compliance with the enterprise-wide standards and an assessment of each agency’s security organization, security practices, security industry standards, network security architecture and current expenditures of State funds for information technology security.</p> <p>Assessment of an agency also must estimate the cost to implement the security measures needed for agencies to fully comply with the standards.</p> <p>Each agency subject to the standards must submit information requested by the State CIO for the assessment.</p> <p>State CIO must include information obtained</p>	<p><a href="#">SL 2013-188</a> added “periodically” and agency vendors</p>	<p><a href="#">G.S. 147-33.112</a></p>

<p>from the assessment in the Information Technology Plan required under <a href="#">G.S. 147-33.72B</a>.</p>		
<p>(a) The head of each State agency must cooperate with the State CIO by:</p> <p>(1) Providing the full details of the agency's information technology and operational requirements and all of the agency's information technology security incidents within 24 hours of confirmation.</p> <p>(2) Provide comprehensive information concerning the security employed to protect the agency's information technology.</p> <p>(3) Forecast the parameters of the agency's projected future information technology security needs and capabilities.</p> <p>(4) Designate an agency liaison in the information technology area to coordinate with the State CIO. Liaison subject to criminal background report.</p> <p>Criminal histories provided pursuant to this subdivision are not public records under <a href="#">Chapter 132</a> of the General Statutes.</p> <p>(b) Information provided by state agencies to State CIO under this section protected from public disclosure pursuant to <a href="#">G.S. 132-6.1(c)</a></p>		<p><a href="#">G.S. 147-33.113</a></p>
<p>Each state agency must develop and continually review and update as necessary a business and disaster recovery plan with respect to information technology. Each agency must establish a disaster recovery planning team to develop the disaster recovery plan and to administer implementation of the plan.</p> <p>In developing the plan, the team must:</p> <p>(1) Consider the organizational, managerial and technical environments in which the disaster recovery plan must be implemented.</p> <p>(2) Assess the types and likely parameters of disasters most likely to occur and the resultant impacts on the agency's</p>		<p><a href="#">G.S. 147-33.89</a></p>

<p>ability to perform its mission.</p> <p>(3) List protective measures to be implemented in anticipation of a natural or man-made disaster.</p> <p>Each agency must submit its plan on an annual basis to the State CIO.</p>		
<p align="center"><b>Agency deviations</b></p>	<p align="center"><b>Notes</b></p>	<p align="center"><b>Statute</b></p>
<p>Department of Revenue authorized to deviate from any provision of <a href="#">G.S. 147-33.83(a)</a> (<b>Information Resources Centers and Services</b>). All deviations must be presented within 15 days to the State CIO.</p> <p>Any agency may apply in writing for the authority to deviate. If request denied by the State CIO, agency may request a review of the decision pursuant to <a href="#">G.S. 147-33.72D</a>.</p>	<p><a href="#">SL 2013-360</a>, s. 7.17 authorizes DOR to enter into additional public-private partnerships to implement TIMS, and limits such to a term ending no later than 6/30/2018.</p>	<p><a href="#">G.S. 147-33.84</a></p>
<p align="center"><b>Fees; Dispute Resolution Panel</b></p>	<p align="center"><b>Notes</b></p>	<p align="center"><b>Statute</b></p>
<p>ITS may go before a panel consisting of the State Treasurer, State Controller and the State Budget Officer, or their designees, to resolve disputes concerning services, fees and charges incurred by State government agencies receiving services from ITS.</p> <p>State Treasurer must adopt rules for the dispute resolution process.</p> <p>The decision of the panel is final in the settlement of all fee disputes that come before it.</p>	<p>Note: This is in addition to the Statewide Accounts Receivable Program in <a href="#">GS 147-86.20</a>.</p>	<p><a href="#">G.S. 147-33.93</a></p>
<p align="center"><b>State Portal</b></p>	<p align="center"><b>Notes</b></p>	<p align="center"><b>Statute</b></p>
<p>ITS must develop the architecture, requirements and standards for the operation of one or more Web portals</p> <p>State CIO must review and approve plans for the implementation of the state portal.</p> <p>The State CIO shall plan, develop, implement, and operate a Statewide electronic portal (i) to increase the convenience of members of the public in conducting online transactions with, and obtaining information from, State government and (ii) to facilitate their interactions and communications with government agencies.</p>	<p>Codified even though legislation did not place in statutes. <a href="#">See 2012-142</a>, s. 6A.12(a)</p>	<p><a href="#">G.S. 66-58.20</a></p> <p><a href="#">G.S. 147-33.87A</a></p>

<p>State CIO must report annually, beginning January 31, 2014, to the General Assembly and to the Fiscal Research Division on the following information:</p> <ol style="list-style-type: none"> <li>(1) Services currently provided and associated transaction volumes or other relevant indicators of utilization by user type.</li> <li>(2) New services added during the previous year.</li> <li>(3) Services added that are currently available in other states.</li> <li>(4) The total amount collected for each service.</li> <li>(5) The total amount remitted to the State for each service.</li> <li>(6) The total amount remitted to the vendor for each service.</li> <li>(7) Any other use of State data by the vendor and the total amount of revenue collected per each use and in total.</li> <li>(8) Customer satisfaction with each service.</li> <li>(9) Any other issues associated with the provision of each service. (2012-142, s. 6A.12(a), (c).)</li> </ol>		
<b>911 Board</b>	<b>Notes</b>	<b>Statute</b>
<p>(a) Establishes board in the Office of Information Technology Services and sets out members. State CIO or designee is chair.</p> <p>(b) Sets terms of board members and manner of filling vacancies. Governor may remove any member for misfeasance, malfeasance or nonfeasance in accordance with G.S. 143B-13(d).</p> <p>(c) Board members serve without compensation but are eligible for per diem, subsistence and travel allowances at the rate established in G.S. 143B-13(d).</p> <p>(d) Board members are public servants under G.S. 138A-3 and are subject to the provisions of Chapter 138A of the General Statutes.</p>	<p>For Definitions and Powers and Duties of the 911 Board, see <a href="#">Article 3 of G.S. 62A—Emergency Telephone Service</a></p>	<p><a href="#">G.S. 62A-41</a></p>

<b>Criminal Justice Information Network (CJIN)</b>	<b>Notes</b>	<b>Statute</b>
<p>(a) Criminal Justice Information Network Governing Board established within the Office of the State Chief Information Officer for organizational and budget purposes only. Board must exercise all of its statutory powers independent of control by the Office of the State CIO.</p> <p>(b)(5) State CIO appoints one board member.</p>	Transferred to ITS by <a href="#">SL 2011-145, s 6A.11(a)</a>	<a href="#">G.S. 143-661</a>
Powers and duties of the Criminal Justice Information Network Governing Board include, in conjunction with ITS, developing and adopting standards for entering, storing and transmitting information in criminal justice databases and for achieving maximum compatibility among user technologies.		<a href="#">G.S. 143-663(a)(2)</a>
The board's staff must use space provided by the State CIO.		<a href="#">G.S. 143-664</a>
<b>Geographic Information Coordinating Council (GICC)</b>	<b>Notes</b>	<b>Statute</b>
(a)(4) One responsibility of the Geographic Information Coordinating Council is advising the Governor, the General Assembly and the State Chief Information Officer as to needed directions, responsibilities, and funding regarding geographic information.		<a href="#">G.S. 143-725</a>
State CIO serves as a non-voting member of the council		<a href="#">G.S. 143-726(d)(19)</a>
<b>NC Longitudinal Data System Board</b>	<b>Notes</b>	<b>Statute</b>
<p>Board oversees and provides guidance for Longitudinal Data System, a statewide data system that contains individual-level student data and workforce data from all levels of education and the State's workforce. The purpose of the system is to 1) facilitate and enable the exchange of student data among agencies and institutions within the state, 2) generate timely and accurate information about student performance that can be used to improve the State's education system and guide decision makers at all levels and (3) facilitate and enable the linkage of student data and workforce data.</p> <p>Quarterly reporting requirement to Govt Ops, Educ Oversight and IT Oversight.</p>		<a href="#">G.S. 116E</a>

State CIO is chair under <a href="#">SL 2013-80</a>		
<b>Public Records Fee Disputes</b>	<b>Notes</b>	<b>Statute</b>
(b) Anyone who believes a fee charged for public records is unfair or unreasonable may ask the State CIO to mediate		<a href="#">G.S. 132-6.2</a>
<b>E-Commerce Fees</b>		<b>Statute</b>
(c) Fees for electronic or digital transactions must be approved by OSBM, in consultation with the State CIO and the Joint Legislative Commission on Governmental Operations.  (d) Section does not apply to the Judicial Department		<a href="#">G.S. 66-58.12</a>
<b>Administrative Hearings</b>		<b>Statute</b>
Procedure for adopting a temporary rule – provides authority for ITS to adopt temporary rules to implement IT procurement without complying with notice and hearing requirements of G.S. 150B.		<a href="#">G.S. 150B-21.1</a>
(a)(4) Conduct of administrative hearings by State CIO in contested cases relating to the administration <a href="#">of Article 3D of G.S. 147</a>		<a href="#">G.S. 150B-38</a>
<b>School Technology Plan</b>		<b>Statute</b>
(b) State Board of Education must submit the School Technology Plan to the State CIO for approval of the technical components.		<a href="#">G.S. 115C-102.6B</a>
<b>IT Oversight Committee</b>		<b>Statute</b>
Joint Legislative Oversight Committee on Information Technology may consult with the State Chief Information Officer on statewide technology strategies and initiatives and review all legislative proposals and other recommendations of the State Chief Information Officer.		<a href="#">G.S. 120-231</a>