

# NC Department of Information Technology

## AP110: What is an IT Procurement?

Revised February 2023



# Content

**This document provides Agency Procurement with guidance on how to determine if an agency business need is considered an IT procurement that needs to be submitted to NCDIT for approval.**

- What qualifies as an IT procurement that needs to be submitted to NCDIT for approval
- What screening questions can help identify an IT procurement
- What are examples of IT procurements and non-IT procurements
- Support Resources



# Learning Objectives

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**After reviewing this document, you should be able to do the following:**

- Review a business need and determine if it qualifies as an IT procurement that needs to be submitted to NCDIT for approval
- Know where to go to get support in determining if a business need is considered an IT procurement



# Defining an IT Procurement

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**With the proliferation of technology and information sharing across the categories of goods and services that State Agencies purchase, clear guidelines are needed to help Agency Procurement determine if a business need is considered an IT procurement that needs to be reviewed by NCDIT.**

**Per NC General Statute § 143B-1320(11), the definition and scope of IT is:**

(11) Information Technology or IT. - Set of tools, processes, and methodologies, including, but not limited to, coding and programming; data communications, data conversion, and data analysis; architecture; planning; storage and retrieval; systems analysis and design; systems control; mobile applications; and equipment and services employed to collect, process, and present information to support the operation of an organization. The term also includes office automation, multimedia, telecommunications, and any personnel and support personnel required for planning and operations.

# Screening Questions

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**An answer of 'Yes' to any of the screening questions below means the business need is an IT procurement since the State must confirm the Vendor meets security requirements (e.g., data is being encrypted) and the correct IT terms and conditions and security requirements are included in the contract to protect the State and its data.**

1. Is State data (PII or not) being stored on a device or Vendor / Non-State entity server?
2. Is State data in transit regardless of where it travels (e.g., Vendor to State or Vendor to the Feds)?
3. Is State data stored/in transit from a device to a State-hosted device that does not connect to a network?
4. Does the offer from a Vendor for the products or services your Agency wants to procure include any links to Vendor Agreements such as Licenses, End User License Agreements, Service Level Agreements, Master Service Agreements and/or Privacy Policies related to processing or storing State data?

# Examples

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**Provided below are examples of what are IT procurements and what are not IT procurements.**

Examples of procurements that are considered to be IT:

1. Any product or service that connects to the Internet or a network
2. A system where there are real time feeds which are transmitted over a network
3. A system where you gain access via NCID or an Identity Access Management-IAM system
4. A system that processes patient data (PII, medicines, database of historical information) that does connect to a network
5. A system that collects data in a created customized software database for managing the information and for subsequent distribution
6. Online subscriptions to any database (i.e., Westlaw, ATSM Standards and Specifications, Online Libraries, Nursing Procedure Manuals and Kelley Blue Book for Automobiles)

Examples of procurements that **are NOT** considered to be IT:

1. A system or equipment that **does not** connect to a network
2. Manufacturing data that contains software that only connects to an internal network
3. Surveying equipment which collects data in the field and connects to a device at a school or Agency but goes no further
4. A locked cabinet with prescriptions that is not connected to a network
5. A medication dispenser with software that does not connect to a network

# Credit Card Payment Processing Systems

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## **Automated Clearing House (ACH) and/or Credit Card Payment Processing (CCPP) System procurements over the Agency's delegation will typically be processed as an IT Procurement.**

- State Agencies must submit all ACH / CCPP Systems procurements to the NCDIT Agency (EPMO, Enterprise Architecture , IAM Operations, and ESRMO).
- Regarding submittal to the Statewide IT Procurement Office, State Agencies should follow their established IT Purchasing Policies and Procedures.

# Support Resources

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**Agency Procurement can always contact the Statewide IT Procurement Office to get support in determining if a business need is considered an IT procurement that needs to be reviewed by NCDIT.**

If you have questions whether a business need is considered an IT procurement, please contact James Tanzosch in the Statewide IT Procurement Office at [james.tanzosch@nc.gov](mailto:james.tanzosch@nc.gov)

