

**Financial Management Circular:** #2007-3

**Effective Date:** March 1, 2007

**General Subject:** Information Technology

**Specific Subject:** Indiana Office of Technology (IOT)

**Authority:** IC 4-12-1-13(h)  
IC 4-13-2-6  
IC 4-13-1-4  
IC 4-13.1-2

**Application:** This circular applies to all state agencies, as that term is defined herein.

### **Section 1. Miscellaneous Provisions**

**Information Technology Defined.** The term "information technology" includes the human resources, technologies, and services associated with the fields of: (1) information processing; (2) office automation; (3) telecommunication facilities and networks; (4) data input and storage; and, (5) information system applications.

**State Agency Defined.** The term "state agency" shall mean an authority, a board, a branch, a commission, a committee, a department, a division, or another instrumentality of the executive, including the administrative department of state government. The term shall include bodies separate corporate and politic. The term does not include: the judicial or legislative departments of state government or a state educational institution (as defined in IC 20-12-0.5-1).

### **Section 2. Centralized IT Services**

**Centralized IT Services.** State agencies shall use the services provided by the Indiana Office of Technology (IOT). The legislative and judicial departments and other instrumentalities of state government are encouraged to take full advantage of the centralized information technology services provided by the IOT.

**Personnel Changes.** Requests to create new or reclassify positions and requests to hire individuals into IT classifications or positions to which IT classifications directly report, shall be subject to the review and approval of both the State Personnel Department and IOT.

### **Section 3. Procurement of Goods & Services Relating to Information Technology**

**Procurement Review.** To ensure that state agencies use IOT's services, state agencies' procurement involving information technology goods and services shall be subject to the review and approval of IOT prior to the Indiana Department of Administration (IDOA). IOT may delegate approval of state agency's procurement of information technology goods and services. Such delegation, if any, shall be posted on its website.

**Quantity Purchase Agreements.** IDOA and IOT shall jointly manage state quantity purchase agreements and other all state agency agreements relating to information technology. IOT shall be responsible for ensuring that such agreements meet the business and technological needs of state agencies and shall determine when and if such agreements should be entered into, amended, and renewed. IDOA shall, as with all state contracts, ensure that such agreements are entered into, amended, renewed, and utilized in accord with state procurement requirements.

**Budgeting for IT Expenditures.** At the same time as submission of budgets to the State Budget Agency (SBA), state agencies shall submit spending plans for information technology-related products and services to IOT. IOT and SBA shall develop a template for such spending plans.

**Funds Transfers for IT Procurement by IOT.** State agencies may transfer funds budgeted for the procurement of information technology to the IOT so that IOT may procure such goods and services on behalf of the agency. Such funds may only be transferred to IOT if the funds will be spent by IOT for the same purpose for which the funds were appropriated. Such funds shall revert to the SBA at the close of the fiscal year unless SBA approves an agency's written request for such funds to remain in IOT's revolving fund to be spent during the next fiscal year.

### **Section 4. IOT Rate Setting & Billing**

The IOT shall strive to provide its services at the lowest practical cost and manage state procurement, management, and use of information technology in the most efficient and cost-effective manner.

The IOT shall create a schedule of rates for its services, which shall be available on IOT's website. IOT's rates for its services shall be directly attributable to the costs associated with providing these services. IOT's rates may change from time to time in order to ensure that IOT recovers no more than the costs associated with providing its services. IOT may charge additional surcharges to cover the costs of overhead, security, and the IOT's statewide cost allocation plan allotment; such surcharges, however, shall not include the costs of special projects or other functions that should more properly be included in the cost of the IOT's services.

On a monthly basis, IOT shall ID bill state agencies for the services provided by IOT.


IOT's annual budget shall be subject to the review and approval of SBA.

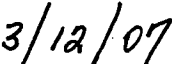
**Section 5. FMC #93-1.1**


This Circular rescinds FMC #93-1.1.

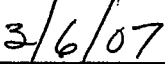
  
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Charles E. Schalliol  
Director, Office of Management & Budget

  
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Carrie Henderson  
Commissioner of Administration

  
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Debra F. Minott  
Director, State Personnel Department

  
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