



April 24, 2020

MEMORANDUM FOR DISTRIBUTION

FROM: André Mendes
Chief Information Officer

Barry Berkowitz
Barry Berkowitz
Director, Office of Acquisition Management and
Senior Procurement Executive

SUBJECT: Chief Information Officer (CIO) Review of Acquisitions

The purpose of this memorandum is to revise and rescind the memorandum dated January 20, 2017 “Department CIO Review of Acquisitions over \$10M in Life Cycle Costs.”

In 2017, in response to the Federal Information Technology Acquisition Reform Act (FITARA) requirement that the Department Chief Information Officer (CIO) of each Chief Financial Officer Act agency approve all information technology (IT) acquisitions, the Department of Commerce (DOC) CIO delegated to each CIO whose bureau is represented on the Chief Information Office Council (BEA, BIS, Census, ITA, NOAA, NTIA, NTIS, NIST, and USPTO) as well as the Deputy Chief Financial Officer for the CFO/ASA and the CIO of FirstNet, his authority to approve all acquisitions involving IT below \$10 million in life cycle costs. In addition, the Commerce Acquisition Manual (CAM) was amended to require the DOC CIO’s, or his delegate’s, review and approval of all formal acquisition plans for acquisitions whose life cycle costs are \$10 million or above.

Based on our review of the process implemented in 2017, the DOC CIO has increased the delegations to the positions named above, to all acquisitions less than \$75 million in life cycle costs. This change will align acquisition approvals at the Bureau and Department levels for both the IT and Procurement chains. The DOC CIO retains the authority to review any acquisition, regardless of life cycle cost, if it is deemed special interest.

For acquisitions below \$75 million, as part of the delegation you received from the DOC CIO, we ask that you revise the process you implemented in 2017 for documenting your approval or disapproval of all acquisitions below \$10 million, and to share that process with the FITARA office in OCIO no later than 60 days from the date of this memorandum. The revised process shall be fully auditable and include an annual report to be submitted to the OCIO and OAM by December 1st each year, detailing all acquisitions reviewed and the outcome of those reviews.

For acquisitions at or above \$75 million, the Bureau CIO's signature shall be added to the signatures in the acquisition plan and the DOC OCIO shall be copied on the submission of the acquisition plan to OAM. The Bureau CIO's signature on the plan shall indicate that the Bureau CIO recommends approval of the acquisition plan and, if the acquisition involves IT (reference the definition of IT below), has determined the acquisition to be consistent with Bureau and DOC Enterprise Architectures as well as the IT Investment Authority (ITIA) provided by the DOC CIO. The relevant ITIA memorandum, if applicable, shall be referenced in the Other Approvals section of the acquisition plan.

Definition of IT:

- A. Any services or equipment, or interconnected system(s) or subsystem(s) of equipment, that are used in the automatic acquisition, storage, analysis, evaluation, manipulation, management, movement, control, display, switching, interchange, transmission, or reception of data or information by the agency; where
- B. such services or equipment are 'used by an agency' if used by the agency directly or if used by a contractor under a contract with the agency that requires either use of the services or equipment or requires use of the services or equipment to a significant extent in the performance of a service or the furnishing of a product.
- C. The term "information technology" includes computers, ancillary equipment (including imaging peripherals, input, output, and storage devices necessary for security and surveillance), peripheral equipment designed to be controlled by the central processing unit of a computer, software, firmware and similar procedures, services (including provisioned services such as cloud computing and support services that support any point of the lifecycle of the equipment or service), and related resources.
- D. The term "information technology" does not include any equipment that is acquired by a contractor incidental to a contract that does not require use of the equipment.

cc: Acquisition Council

DISTRIBUTION:

Bureau Chief Information Officers
Stephen Kunze, Deputy Chief Financial Officer/Director of Office of Financial Management
Chief Information Officer, First Responder Network Authority