

### 8.85 Procurement of information technology.

1. Policies established by the department, unless waived by the department, apply to all information technology procurements for supported entities.

2. The department shall institute procedures to ensure effective and efficient compliance with policies established by the department.

3. The department shall develop policies and procedures that apply to all information technology goods and services acquisitions, and shall ensure the compliance of all supported entities. The department shall also be the sole provider of information technology goods and services for supported entities, the sole authority in state government for the procurement of information technology goods and services for supported entities, the sole authority in state government for the establishment of master agreements for information technology goods and services, and the sole authority in state government for determining whether any particular procurement is an information technology procurement.

4. The department, by rule, may implement a prequalification procedure for contractors with which the department has entered or intends to enter into agreements regarding the procurement of information technology.

5. Notwithstanding the provisions governing purchasing as provided in [chapter 8A, subchapter III](#), the department may procure information technology as provided in [this section](#). The department may cooperate with other governmental entities in the procurement of information technology in an effort to make such procurements in a cost-effective, efficient manner as provided in [this section](#). The department, as deemed appropriate and cost effective, may procure information technology using any of the following methods:

*a. Cooperative procurement agreement.* The department may enter into a cooperative procurement agreement with another governmental entity relating to the procurement of information technology, whether such information technology is for the use of the department or other governmental entities. The cooperative procurement agreement must clearly specify the purpose of the agreement and the method by which such purpose will be accomplished. Any power exercised under such agreement shall not exceed the power granted to any party to the agreement.

*b. Negotiated contract.* The department may enter into an agreement for the purchase of information technology if any of the following apply:

(1) The contract price, terms, and conditions are pursuant to the current federal supply contract, and the purchase order adequately identifies the federal supply contract under which the procurement is to be made.

(2) The contract price, terms, and conditions are no less favorable than the contractor's current federal supply contract price, terms, and conditions; the contractor has indicated in writing a willingness to extend such price, terms, and conditions to the department; and the purchase order adequately identifies the contract relied upon.

(3) The contract is with a vendor who has a current exclusive or nonexclusive price agreement with the state for the information technology to be procured, and such information technology meets the same standards and specifications as the items to be procured and all of the following apply:

(a) The quantity purchased does not exceed the quantity which may be purchased under the applicable price agreement.

(b) The purchase order adequately identifies the price agreement relied upon.

*c. Contracts let by another entity.* The department may contract for information technology by leveraging an existing, competitively procured contract established by any other governmental entity or cooperative purchasing organization.

*d. Reverse auction.*

(1) The department may enter into an agreement for the purchase of information technology utilizing a reverse auction process. Such process shall result in the purchase of information technology from the vendor submitting the lowest responsible bid amount for the information technology to be acquired. The department, in establishing a reverse auction process, shall do all of the following:

(a) Determine the specifications and requirements of the information technology to be acquired.

(b) Identify and provide notice to potential vendors concerning the proposed acquisition.

(c) Establish prequalification requirements to be met by a vendor to be eligible to participate in the reverse auction.

(d) Conduct the reverse auction in a manner as deemed appropriate by the department and consistent with rules adopted by the department.

(2) Prior to conducting a reverse auction, the department shall establish a threshold amount which shall be the maximum amount that the department is willing to pay for the information technology to be acquired.

(3) The department shall enter into an agreement with a vendor who is the lowest responsible bidder which meets the specifications or description of the information technology to be procured, or the department may reject all bids and begin the process again. In determining the lowest responsible bidder, the department may consider various factors including but not limited to the past performance of the vendor relative to quality of product or service, the past experience of the department in relation to the product or service, the relative quality of products or services, the proposed terms of delivery, and the best interest of the state.

*e. Competitive bidding.* The department may enter into an agreement for the procurement or acquisition of information technology in the same manner as provided under [chapter 8A, subchapter III](#), for the purchasing of service. The department may also contract for the purchase of information technology goods or services using a competitive bidding process that includes a vendor selection process that focuses on realized, efficiency-based competition models.

*f. Other agreement.* In addition to the competitive bidding procedure provided for under paragraph “e”, the department may enter into an agreement for the purchase, disposal, or other disposition of information technology in the same manner and subject to the same limitations as otherwise provided in [this subchapter](#).

6. *a.* The department shall, when feasible, prioritize the procurement of cloud computing solutions and other information technology and related services that are not hosted on premises by the state. The department may contract for multiple cloud computing solutions. The ownership of state data stored within cloud computing solutions shall remain with the state.

*b.* The department shall make reasonable efforts to ensure the portability of state data stored within cloud computing solutions. The department shall develop contractual terms and conditions for cloud computing solutions to ensure the confidentiality, integrity, and availability of state data and to maximize cybersecurity protections.

*c.* For purposes of [this subsection](#), “cloud computing solutions” means the same as described in [section 8.2, subsection 20](#), paragraph “l”.\*

7. The department shall adopt rules pursuant to [chapter 17A](#) to implement the procurement methods and procedures provided for in [subsections 2 through 6](#).

8. The department may establish and collect administrative fees associated with purchases made from department information technology agreements. The department may retain fees collected under [this subsection](#) in a fund created pursuant to [section 8.92](#).

[2013 Acts, ch 129, §21](#)

[C2014, §8B.24](#)

[2024 Acts, ch 1185, §70, 85](#)

[C2025, §8.85](#)

Referred to in [§8.92](#)

\*Reference to “section 8.76, subsection 12, paragraph “l”” probably intended; corrective legislation is pending

Section transferred from [§8B.24](#) in Code 2025 pursuant to directive in [2024 Acts, ch 1185, §85](#)

Section amended