HPOL#06
Acquisition and Maintenance of Hardware

(Version 1.0)

Table of Contents

6.1. SCOPE AND OBJECTIVES

The government organization should have defined and implemented procedures for acquisition and maintenance of hardware in a standardized manner. These procedures and methods should delineate the various aspects of the procurement cycle while ensuring that hardware is of the required quality and meets the desired organizational objectives. Hardware, being a very important resource, should be maintained and supported systematically during its lifetime.

This document addresses policies related to standardization of acquisition and maintenance of Hardware resources.

6.2. POLICY STATEMENT

6.2.1. ACQUISITION OF HARDWARE

6.2.1.1. Registration of Suppliers and Service Providers

6.2.1.1.1. The government organization shall maintain a Register of Suppliers / Service Providers for supply of ICT related goods and services to the organization's Sections.

Explanatory Notes

The Register should be suitably classified in a manner so as to facilitate easy identification of Suppliers and Service Providers.

6.2.1.2. Initiation of Purchases

6.2.1.2.1. The purchase routine should be initiated only if budgetary provision has been made. If no budget provision is available, the ICT Unit or the relevant officer/s shall initiate action to obtain such provision.

6.2.1.2.2. Before calling for bids / offers for purchasing, the officer responsible should initiate a Purchase Order Requisition for approval by management.

Explanatory Notes

The Purchase Order Requisition should include names of selected Suppliers / Service Providers from whom quotations would be called.

6.2.1.2.3. The Purchase Order Requisition should be submitted for technical verification to a Technical Evaluation Committee, unless otherwise allowed in the Government Procurement Guidelines.

6.2.1.3. Decision Making Procedure

6.2.1.3.1. Management of the government organization should be briefed by the ICT unit or the relevant officer/s on the Bids / Quotations received. The ICT Unit or the relevant officer/s should ensure that the terms and conditions set down by the organization have been fulfilled.

Explanatory Notes

The following documentation, at a minimum, should support the purchase of hardware:

- *Standard and quality of hardware*

- *Other hardware specifications*

- *Purchase Order Requisition*

- *Bid Documents / Invitation to quote*

- *Original Bids / Offers received*

- *Schedule of offers on a comparative basis*

- *Report and/or recommendations of the Tender Board where necessary.*

- *Purchase Approval by the Authorized Officer/s of the government organization.*

- *Performance requirement of hardware including warranties and maintenance.*

- *Technical Evaluation Committee report.*

- *Certification of compliance to the specifications.*

6.2.1.3.2. Management should ensure, by means of employing experts or otherwise, that the goods and services offered conform to the specifications stipulated by the organization.

6.2.1.3.3. Discrepancies or points of dispute on the specifications should be referred to the Requisitioning Office or Section, if necessary, for written clarification.

6.2.1.4. Technical Evaluation Committee

6.2.1.4.1. A Technical Evaluation Committee to assist the Tender Board should be appointed in accordance with Government Procurement Guidelines.

6.2.1.4.2. All members of the Technical Evaluation Committee should be present at all relevant meetings of the Tender Board.

6.2.1.4.3. The Technical Evaluation Committee should approve the Bid Documents and Specifications before placing same for approval of the Tender Board.

6.2.1.4.4. On receipt of the bids, the Technical Evaluation Committee should evaluate the bids and make suitable recommendations to the Tender Board for approval.

6.2.1.5. ICT Unit and Procurement Section Interface

6.2.1.5.1. The Information and Communication Technology Unit (ICT Unit) or the relevant officer/s should forward the approved requisition to the Procurement Section who shall prepare the Purchase Order.

__Explanatory Notes__

The Purchase Order should concur with all details mentioned in the Purchase Order Requisition such as payment terms, rate, delivery schedule etc. Copies of the Purchase Order should be given to the ICT Unit or the relevant officer/s, and to the respective Section.

6.2.1.6. Receipt of Hardware

6.2.1.6.1. The hardware item should be received directly from the vendor at the respective Section.

__Explanatory Notes__

The Section, after successful installation of hardware, should inform the ICT Unit or the relevant officer/s about the receipts and commissioning of the hardware so that the payments are made and organizational activities are carried out.

6.2.1.6.2.   The Section should maintain an inventory of all hardware equipment installed at the Section.

Explanatory Notes

This inventory list should be cross-checked with the inventory list maintained by the ICT Unit or the relevant officer/s.

6.2.1.7.   Procuring complex ICT systems

6.2.1.7.1.   Complex ICT systems shall be procured in accordance with Government Procurement Guidelines.

Explanatory Notes

Large Information and Communication Technology, and systems (complex ICT systems) contracts are among the most challenging to procure because:

● *Their technical content is diverse and difficult to define;*

● *They are highly affected by changing business objectives, organizational politics, and institutional capacity of the end-user;*

● *They are subject to rapid technological change over the project life-cycle; and*

● *They entail mixtures of professional engineering services and supply of diverse hard and soft technologies.*

Two key features distinguish supply and installation from ICT related goods procurements namely, increased supplier's risk and complex service requirements. Together, these two features increase significantly the complexity and risk of the procurement and require different evaluation and contracting terms. Thus, specialized bidding documents in consultation with the National Procurement Agency (NPA) shall be used in procuring complex ICT systems.

6.2.2.   MAINTENANCE OF HARDWARE

6.2.2.1.   Repairs and Maintenance

6.2.2.1.1.   Repairs and maintenance should be addressed under the purchase agreement.

6.2.2.1.2.   The maintenance agreement should be examined and approved by management, taking care to restrict variations in the rates over a period of time.

Explanatory Notes

Hardware maintenance refers to all activities involved in the upkeep, repair and review of hardware resources after the installation in order to ensure proper functioning, correction of faults, improvement in the performance and adaptation of the hardware in the ICT environment. Management of the government organization would need to address the following:

- *Determine maintenance efforts*

- *Plan maintenance resources*

- *Develop and implement the maintenance process*

- *Monitor maintenance efforts periodically*

6.2.2.1.3.   Repairs to and maintenance of equipment should be entrusted to the original supplier or to the Agents of the concerned item.

6.2.2.1.4.   Maintenance of all equipment should be governed by the Agreement / Maintenance Contract entered into with the respective Suppliers / Agents.

6.2.2.1.5.   For the award of any maintenance work to a party other than the Agents / Suppliers, written approval should be obtained from the relevant officer/s.

6.2.2.1.6.   The government organization should settle bills only after the respective Section of the organization certifies that the repairs / services have been carried out satisfactorily.

6.2.2.1.7.   All Sections shall maintain a Register indicating all particulars of routine maintenance and repairs carried out on equipment at their respective Sections.

Explanatory Notes

The register should necessarily document the maximum turnaround time for a maintenance call and the desired service level as agreed with the hardware vendor.

6.2.3. MOVEMENT OF HARDWARE OUTSIDE THE PREMISES

6.2.3.1. Repairs / Maintenance Conducted Outside the Premises

6.2.3.1.1. In case of computer hardware being sent out of the government organization's premises for repairs or other maintenance work, it should be approved by designated management personnel.

6.2.3.1.2. A complete analysis and classification of data residing on the computer hardware (if any) should be carried out by the concerned data owner(s).

6.2.3.1.3. Depending upon the classification of the data, appropriate security procedures should be followed before release of the hardware.

Explanatory Notes

This may include, but not be limited to, removing the data from the hardware being dispatched for repairs.

6.2.3.1.4. Depending upon the need and technical feasibility, the data should be encrypted before the computer hardware is dispatched for repairs or maintenance.

6.2.4. ASSET TRACKING

6.2.4.1. Maintaining Records of Assets

6.2.4.1.1. Management should maintain detailed records of assets.

Explanatory Notes

Assets would include but not be limited to servers, personal computers, network components, printers etc., acquired and deployed across the government organization. Management is also responsible for monitoring the

movement of these assets amongst the various Sections of the government organization. This should necessarily involve the following procedures:

- *Initiation of asset movement and approvals.*

- *Sign-off from sender and receiving units for dispatch and receipt of hardware equipment respectively.*

- *Updating inventory details of hardware.*