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# BACKGROUND

In 2013 the Washington Legislature adopted statutory amendments (ESSB 5891 Sec. 2(8)) exempting certain Information Technology (IT) purchases from competitive bidding requirements provided (a) the purchase is less than one hundred thousand dollars, (b) the initial purchase is approved by the chief information officer of the state, and (c) the agency director and the chief information officer of the state jointly prepare a public document providing a detailed justification for this expenditure. RCW 39.26.100(8).

# PURPOSE

To establish criteria for waiving public procurement requirements for certain Information Technology purchases under

$100,000, for state agencies to undertake projects to address existing business needs in new ways.

# POLICY STATEMENT

1. The OCIO will approve Innovation exemptions for agencies making technology purchases under $100,000 provided the purchase promotes innovation within the purchasing agency.
2. If granted, an Innovation exemption exempts a state agency, from adherence to public procurement requirements for the purchase of goods and services under chapter 39.26 RCW.
3. Institutions of higher education, and agencies in the judicial branch are not eligible for an Innovation exemption.
4. Once an exemption has been granted, the state CIO and the agency director will jointly publish the justification for the exemption on the OCIO website.
5. An agency that purchases goods or services using an Innovation exemption must report the resulting contract to the Department of Enterprise Services in the manner described in DES Policy #DES-210-01.
6. All projects that have received an Innovation exemption must publish a final report that describes the outcome of project, and any key insights that would be useful to other agencies.

# RESPONSIBILITIES

## Chief Information Officer (or designee)

Review and, if appropriate, approve requests for Innovation Exemptions

For all approved projects, jointly publish a justification for the approval of the Innovation Exemption. Publish all approval justifications and final reports on the OCIO website.

## Agency Heads

Submit justifications for an Innovation Exemption to the OCIO when an exemption is sought. Prepare and submit to the OCIO a final report within one year of receiving the exemption.

## Technology Services Board

Review and approve all major policy changes

# RELATED LAWS AND OTHER RESOURCES

Chapter 39.26 RCW, Procurement of Goods and Services

# REVISION HISTORY

|  |  |
| --- | --- |
| **Date** | **Action taken** |
| **November 8, 2013** | **New Policy adopted.** |

**CONTACT INFORMATION**

For questions about this policy, please contact the [OCIO](http://ocio.wa.gov/it-consultants) [1].

# APPROVING AUTHORITY

/s/ Michael Cockrill November 8, 2013

Chief Information Officer Date

Chair, Technology Services Board

**Source URL:** [**https://ocio.wa.gov/policies/202-innovation-exemption**](https://ocio.wa.gov/policies/202-innovation-exemption)

**Links:**

**[1]** [**http://ocio.wa.gov/it-consultants**](http://ocio.wa.gov/it-consultants)

**[2] https://ocio.wa.gov/policies/202-innovation-exemption/202-appendix-innovation-exemption-criteria-0**

**[3]** [**http://apps.leg.wa.gov/rcw/default.aspx?cite=39.26&amp;full=true**](http://apps.leg.wa.gov/rcw/default.aspx?cite=39.26&amp;amp%3Bfull=true)