

“The City of Heritage”



INFORMATION TECHNOLOGY IT Assets Policy

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1. Purpose

This document sets forth the Information Technology Asset Policy (ITAP) for the Ulundi Municipality (ULM). It establishes the business rules and guidelines for consistency and compliance in executing the ULM ITAP process and procedures for managing IT software and IT hardware throughout all lifecycle phases of an IT asset.

2. Overview

This policy provides Ulundi Municipality with the formalised method and guidelines in planning, acquiring, managing and disposing of IT assets. All municipal officials or employees must adhere to this policy when handling IT assets.

3. Definitions

The following definitions provide the correct context in which the terms are used in this document:

- **IT asset** refers to anything (tangible or intangible) that has value to an organization, including, but not limited to, a computing device, IT system, IT network, IT circuit, software (both an installed instance and a physical instance), virtual computing platform (common in cloud and virtualized computing), and related hardware (e.g., locks, cabinets, keyboards), as well as people and intellectual property (including software).

Note: Assets are the lowest level at which IT is planned, acquired, implemented, and operated. All IT hardware and software shall be associated with the comprising system/investment and tracked and monitored throughout their lifecycles in accordance with the NRC's ITAM processes.

- **Information system lifecycle** means all phases in the useful life of an information system, including planning, acquiring, operating, maintaining, and disposing or decommissioning the system.
- **Hardware asset management** is the process of tracking, monitoring, and reporting the physical components of computers and computer networks from acquisition through disposal to provide a comprehensive inventory of hardware assets on the IT infrastructure. This comprehensive inventory visibility supports vendor and lease management and assists in making budgetary forecasts based on the stock of assets and business requirements.

- **IT resources** refers to all agency budgetary resources, personnel, equipment, facilities, or services that are primarily used in the management, operation, acquisition, or other activity related to the IT lifecycle and acquisitions or interagency agreements that include IT and the services or equipment provided by such acquisitions or interagency agreements, not including grants that establish or support IT not operated directly by the Federal Government.
- **IT system** refers to a discrete set of information resources organized for the collection, processing, maintenance, transmission, and dissemination of information, in accordance with defined procedures, whether automated or manual.
- **IT service management (ITSM)** is the implementation and management of quality IT services that meet the needs of the business. IT service providers perform ITSM through an appropriate mix of people, processes, and information technology. See also “service management.”
- **Service level management** is the process responsible for negotiating achievable service-level agreements and ensuring that all ITSM processes, operational level agreements, and underpinning contracts are appropriate for the agreed service-level targets. Service level management monitors and reports on service levels, holds regular service reviews with customers, and identifies required improvements.
- **Software asset management (SAM)** is the process of tracking, monitoring, and reporting the use and ownership of software assets throughout their lifecycle, including licenses, versions, and installed endpoints. SAM is part of an overall service and configuration management process. The goals of SAM include: (1) reducing IT costs; (2) limiting business, legal, and security risks related to the ownership and use of computer software; and (3) maximizing IT responsiveness and end-user productivity.
- **Software license management (SLM)** refers to a proactive approach to SAM that enables accurate procurement and deployment of software licenses based on contract entitlements, product use rights, and actual usage.

4. IT Assets Policy

This policy establishes the business rules and guidelines below for managing IT assets throughout their lifecycles.

The Ulundi Municipality shall:

- Act in a fiscally responsible manner, including by implementing an ITAP program to support the optimization of IT costs to perform mission and business functions in the most efficient manner that adds the most value.
- Establish a comprehensive IT asset inventory by identifying and collecting information using automated discovery and inventory tools. Any tool used for SAM must specifically collect information about software license agreements and track and maintain identified software licenses to assist the organisation in implementing decisions throughout the SLM lifecycle.
- Provide training relevant to SLM to improve understanding of legal and compliance requirements, including what is expected of users with regard to the protection of intellectual property rights.
- Assess current IT asset inventories and usage and establish controls to ensure maximum use of IT equipment, installed software, and services (i.e., ensure that the ULM needs, and is using, all IT assets that the organisation is paying for). This is key to performing demand management.
- Maintain the comprehensive IT asset data by tracking all assets from purchase to retirement and disposal, including data collected at integration points with ITSM (e.g., capacity management, configuration management, incident management, service level management).
- Analyse usage and other data to make cost-effective decisions and inform IT resource planning, budgeting, and future acquisitions.
- Right-size the number of IT devices (e.g., mobile phones, smartphones, desktop and laptop computers, and tablet personal computers) issued to employees, consistent with operational requirements (including continuity of operations), and initiatives designed to create efficiency through the effective implementation of technology.
- Promote further efficiencies in IT by leveraging appropriate organisation wide IT solutions that consolidate activities such as desktop services, email, and collaboration tools.

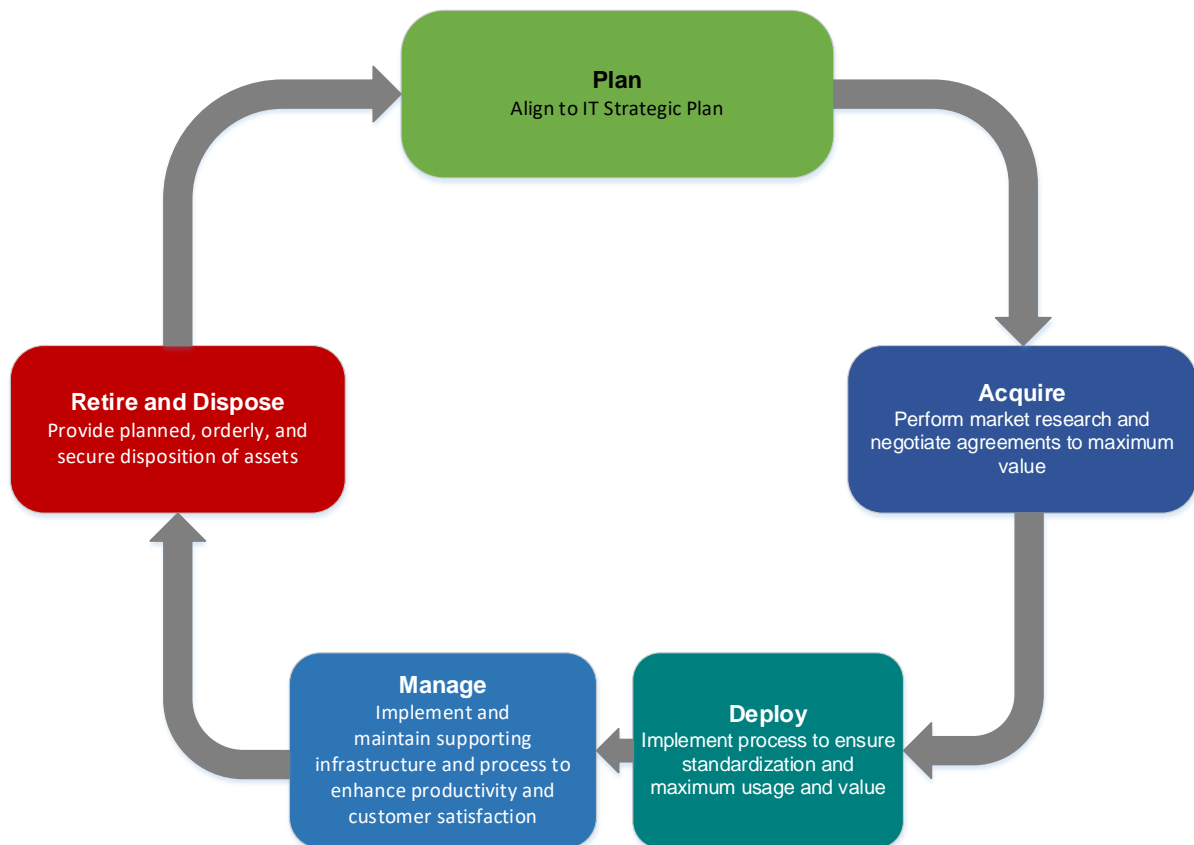
- Develop, maintain, and communicate to end users this policy and ITAP processes and procedures, and their integration with other policies and processes that support the management of IT assets and services.
- Build centralized ITAP processes and services around the five lifecycle stages:
 - Planning and budgeting;
 - Acquisition;
 - Deployment;
 - Management; and
 - Retirement or disposal.
- Processes should trigger changes to contract terms and conditions to accommodate for changing technology, vendor, and internal requirements.
- Ensure in the planning and budgeting phase that each IT asset is clearly identified and associated with the comprising system and investment in the ULM's IT portfolio (i.e., all IT systems used by the municipality).
- Ensure that the SAM lifecycle processes have integration points with the ITSM processes, primarily with configuration and change management because the processes impact each other (i.e., a change to a platform may affect licensing).
- Ensure that processes include clearly defined roles and responsibilities, proper governance and controls, and integration points with other processes.
- Acquire and implement an asset management tool to support core lifecycle processes, and, to the extent practicable, integrate the solution with recognized ancillary data sources used to maintain the asset data (e.g., IT help desk).
- Monitor the performance of the program and software assets by developing compliance reports (reporting, at a minimum, the compliance position of managed software through proper SLM) and by developing key performance indicators (KPIs) to quantify the success of the ITAP program. Some Information Technology Infrastructure Library software asset and configuration management KPIs to consider include the following:
 - Percent of software licenses used relative to the total software licenses deployed in (i.e., split by license per software application)
 - Percent of licenses purchased but not accounted for in the asset repository
 - Percent of software assets under maintenance contract

Note: This KPI monitors the number of deployed software assets that are within their warranty or are related to a valid maintenance contract relative to the total number deployed.

- Actively manage the ULM's relationships with vendors to develop, manage, and control vendor contracts, relationships, and performance for the efficient delivery of contracted products and services; minimize potential business disruption; and drive the most value from vendors. All communications with vendors shall be conducted in accordance with the ULM Vendor Communication Plan.
- Perform all hardware acquisitions in accordance with acquisition Policy. All associated hardware acquisition documentation shall be retained in a centralized contract repository accessible to only those personnel with the appropriate roles and responsibilities that would entitle them to access.
- Acquire only IT assets on the standardized list of technologies and versions approved for use in the ULM production environment, if an approved technology meets the business need instead of purchasing duplicative technologies. The process for alternatives and exceptions must be followed for the approval of any nonstandard assets.
- Ensure that assets are receiving timely patches and are securely configured and maintain version control in compliance with underlying contracts.
- Ensure that all ULM employees are informed of and comply with the organisation wide rules of behaviour for authorized computer use.
- According to the aforementioned policy, users shall not place any unauthorized software on any ULM computing device. Since trial or promotional software will be solely restricted to test environments for the purpose of evaluation before its potential acquisition, the ULM deems such software unauthorized until it is placed on the approved software list. Unauthorized use of a user account or a computing resource is a violation of IT policy, constitutes theft, and is punishable by law. Users will be held accountable for their access and use of ULM computing resources.
- Comply with the ULM property management policy throughout the lifecycle of all assets. When an asset has reached end of "life" or usability, the aforementioned policy shall be followed. In addition, ULM IT Asset Disposal Procedure applies for assets associated with the retirement and decommissioning of an IT system.

5. IT Asset Life Cycle Management Overview

IT asset lifecycle management is a core process of ITAM that involves managing and optimizing the purchase, deployment, maintenance, use, and retirement or disposal of assets within an organization. Implementation of this process can benefit organizations by improving the ability to forecast needs. IT asset lifecycle management strives for informed purchasing decisions, proactive resource replenishment, improvement of the quality of IT services, and knowledge of the total cost of ownership of an asset. Activities include the development and maintenance of policies, standards, processes, systems, and measurements that enable organizations to manage the IT asset portfolio with respect to risk, cost, control, IT governance, compliance, and established business performance objectives. Figure 1 provides an overview of the ITAP lifecycle management process.



5.1. Plan

The planning phase involves the activities performed before procurement of the software, which include evaluating the technical and organizational requirements for the IT asset. Asset requirements are defined based on an assessment of both service delivery needs and the capability of the existing asset base to meet these needs. Planning activities include, but are

not limited to, defining the asset management strategy, planning for uncertainties, documenting business cases, and performing a cost-benefit analysis.

5.2. Acquire

For ITAP purposes, the acquisition phase is the process by which an organization plans and then manages the procurement process. This includes receiving a legitimate request and approval for goods and services (including standards, definitions, and supplier identification) and discounting targets and policies under negotiated discounts and contracts. Ultimately, the goal of the procurement process is to enable the best price for the best product and service available to meet the organization's needs while providing full visibility to surplus.

5.3. Deploy

The deployment phase involves deploying new software and hardware requests through the defined approval method. If the asset request has been approved, the IT configuration manager will install software and hardware on the user's machine. He or she will ensure that the equipment is fully configured and ready for use. The asset repository must be correct before allocating any equipment. The asset entry should also include all software and hardware installed. Because the information about the asset will never be more accurate than it is at this stage, a best practice is for the IT asset manager to determine the accuracy of the asset as it enters the configuration management database to enable a clean start.

5.4. Manage

The management phase involves the monitoring of an asset's maintenance needs and performance, management of refresh cycles, information management, asset valuation, and continuous assessment of the asset's use and functionality. Responsible parties should evaluate the existing asset's base condition, capability, and usage. Accurate recording, identification, valuation, and reporting procedures must be established so that informed decisions to maintain, modify, rehabilitate, find an alternative use for, or dispose of an asset can be made.

5.5. Retire and Dispose

The retirement and disposal phase involves the planning and execution of the removal and disposal of assets, closing or cessation of contracts and licenses, and proper uninstallation. The treatment of an asset that has either reached the end of its useful life, is considered surplus, or is underperforming. Retiring an asset can include disposal, replacement, renewal,

or redeployment. Responsible parties should comply with relevant approval processes and, where possible, select a method, including retirement, replacement, renewal, or redeployment, that maximizes the financial benefits associated with the method.

6. Approvals

The table below provides necessary approvals of this policy.

Approver	Signature	Date
Chairman of the Council		
Chairman of the Audit and Risk Committee		
Ulundi Municipal Manager		