

Date: April 19, 2013

To: Purdue faculty and staff

From: President Mitchell E. Daniels Jr.

Re: Approval process for IT purchases

Purdue currently spends more than \$56 million per year across its four campuses on IT purchases, \$22 million of which are made outside of the central computing organization, ITaP. About a tenth of the IT spending, \$5.8 million, is made using sponsored program funds. But the balance — more than \$50 million — is spent from general fund and auxiliary sources. A significant portion of that amount is spent on software or services that the University has already purchased either by ITaP or another area on campus. In other instances, campus buyers are unaware that the University has already negotiated a lower price than they are paying.

To address this, the Office of the University CIO will begin approving the purchase or acquisition of all equipment, software, and services related to IT. This approval process will include free software or services to ensure that these acquisitions don't create additional hidden costs or an IT security risk.

This approval will benefit those on campus who are making IT-related purchases using general funds or auxiliary sources. The process will identify opportunities to take advantage of existing purchase agreements at lower prices; it will allow everyone on campus to participate in existing bulk-purchase arrangements or software licenses, and it will quickly identify IT conflicts or additional costs that might be incurred because of required institutional support, such as high maintenance costs. (Purchases made with sponsored program funds may use this process if they so choose but are otherwise exempted from review.)

This approval process is already in place for non-research funded purchases of greater than \$250,000, and over the past six months has allowed the University to save or avoid more than \$1 million in additional costs.

The procedures for this approval will be jointly announced by the CIO and the Senior Vice President for Business Services in the coming weeks.