

November 2, 2010

MEMORANDUM

TO: Deans, Directors and Department Heads

FROM: Marc Hoyt, Vice Chancellor for Information Technology
Charles Leffler, Vice Chancellor for Finance and Business

SUBJECT: New Requirements for Purchasing University Computers

This summer the University of North Carolina General Administration (UNC-GA) announced the implementation of a new Combined Pricing Initiative (CPI) for desktop and laptop computer purchases. UNC-GA developed the CPI in response to state law SB 202 passed in 2009, which required UNC to save money and improve efficiencies by consolidating IT purchases for the UNC system. *Participation in the CPI is mandatory for NC State and other UNC campuses.*

The CPI combines the purchasing power of the entire UNC system, giving all campuses the benefit of reduced prices. UNC-GA formed a committee to negotiate with vendors for the best prices for a range of standard desktop and laptop computer configurations intended to meet diverse computing needs while also reducing the total cost of ownership including support. The CPI also includes energy-efficiency requirements, which will help reduce energy use in buildings, as required by state law.

While the UNC CPI applies to purchases with all state managed funds, NC State has extended this requirement to purchases made from any campus funding source. The following procedures will apply for NC State desktop and laptop purchases and become effective November 8:

- Purchasers will be required to use the MarketPlace e-procurement system rather than purchase orders (POs), vouchers or campus Pcards.
- The campus must procure desktop and laptop PCs only from the approved CPI "Preferred Vendors," currently Dell, Lenovo and HP, unless an exception is approved in advance. Apple products are not yet part of the CPI program, and may still be purchased through the MarketPlace.
- PC hardware must be purchased from the inventory of standard configurations, except when non-standard configurations are required for special research, teaching, or administrative needs. The total expenditure for exceptions may not exceed 20% of the total funds actually used for PC purchases. An exception process is being finalized: all non-standard purchases must be approved through this process prior to being ordered.

To develop the CPI program, UNC-GA worked with UNC CIOs and other campus representatives. The team built upon the work done by NC State's Computer Procurement Task Force, chaired by Pete Evans, PAMS Director of Computing and Information Systems.

While this program offers the opportunity for the university to save significant money on equipment and support, it will require a significant change in the campus' purchasing procedures. Your cooperation is greatly appreciated while we continue to develop effective processes. Everyone should understand that there are possible consequences for the University and UNC system if the constituent institutions do not comply with the spirit and letter of the legislation. As part of the effort to ensure compliance at NC State, reports of spending outside of this process will be shared with deans or appropriate unit heads.

Additional details are online and will be provided to university business officers and campus IT support staff. For more information visit <http://oit.ncsu.edu/it-purchases>.