



# The University of North Carolina

GENERAL ADMINISTRATION

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May 5, 2010

## MEMORANDUM

To: UNC Chancellors and CIOs

From: John Leydon, VP and CIO

Re: **UNC-GA Combined Pricing Initiative - Purchasing of Personal Computers -**

I am pleased to report that the UNC system is ready to implement, effective July 1, 2010, the UNC Combined Pricing Initiative (CPI) for purchasing of personal computers (desktop & laptop). We need the cooperation of the campuses to ensure this program meets the State's expectations for budget savings, while remaining flexible enough to meet the varied needs of our faculty, staff, and students. Therefore, participation in the CPI program will be mandatory for all campuses for the 2010-11 year.

Let me summarize how we got to this point:

- A number of our campuses have maintained campus-wide PC purchasing programs, offering substantial savings for the faculty, staff, and students on those campuses
- In July 2009, the General Assembly passed SB 202 with budget provision 6.11(a) as part of the State's efforts to reduce costs and avoid duplication of efforts
- In response to this budget provision, and in an effort to leverage the aggregate purchasing power of the UNC system, we created the UNC Combined Pricing Initiative
- The State Office of Information Technology Services and the legislative committee to which we reported have concurred that the UNC CPI meets the goals of the 2009 legislation

We designed UNC CPI to consider PC equipment's total cost of ownership and provide procurement flexibility to the UNC system's diverse institutions. Additionally through the UNC CPI program, every institution will benefit from a combined purchasing arrangement.

The program provides a range of PC configurations, reflecting the diverse administrative and academic needs on campuses. It includes energy-efficiency requirements to reduce energy consumption in university buildings, as required by SB 668. We are working to ensure that campuses' e-procurement systems will be able to efficiently execute these purchases. Campuses may allow exceptions of up to 20% (not to include Apple products) of state appropriated funds expended on PC hardware, if required for specialized research, teaching, or administrative needs. Each campus can develop its own exception process.

The corresponding addendum provides additional details. GA is ready to assist in this process, as needed.

cc: Chief Academic Officers

Chief Financial Officers

## UNC-GA CPI

### Addendum 1

In July 2009, the North Carolina General Assembly also passed Senate Bill 202 with budget provision 6.11.

(a). This legislation states:

*The General Administration of The University of North Carolina, with assistance from the Office of Information Technology Services, to the extent practicable, shall consolidate information technology infrastructure purchasing which includes, but is not limited to, personal computer and printer purchases for all 16 State universities, the North Carolina School of Science and Mathematics, and General Administration, by ensuring access to a bulk and shared pricing process that will realize savings through efficiencies. General Administration may choose to utilize the Office of Information Technology Services' or existing bulk contracts of The University of North Carolina. Information technology infrastructure expenditure shall not be authorized by the General Administration of the University of North Carolina without complying with this section.*

Features of the UNC-GA CPI include:

- For all purchases with state appropriated funds, UNC institutions must procure PCs only from the approved "Preferred Vendors" (Apple products are not yet a part of this program).
- UNC constituents have the flexibility to select and purchase from any of the vendors on the Preferred Vendor list, but are required to use their institution's e-procurement system instead of using purchase orders (POs).
- PC hardware must be purchased from the inventory of standard hardware configurations, with the following exception: Non-standard hardware configurations are required for use in special research, teaching, or administrative needs.

The campus may allow exceptions for up to 20% (not to include Apple products) of the total state appropriated funds expended on PC hardware within a given fiscal year, (the allowable maximum of 20% will be reduced in future years).

To procure non-standard hardware, a special exception must be requested. Each UNC institution must establish an approved process for requesting the procurement of non-standard PC hardware. This exception approval process may differ for each institution, but must be reviewed and approved by the UNC-GA CIO.

- Energy-efficiency requirements are included in the standard hardware configurations, which will benefit the sustainability and energy conservation efforts of all UNC institutions.
- The CIO CPI Task Group will initiate discussions with Apple Computer Corp. for system wide purchasing.