Business Operations developed strategic Bold Steps on February 27, 2017. This handout highlights the IT Hardware Spend Analysis project.

Current Practice

Departments can purchase IT hardware through:

1. **Summer Refresh** – discounted bulk purchases at a designated time of year
2. **Routine Purchases** – purchases as needed throughout the year with regular pricing

Spend Analysis

Our objective was to collect and evaluate expenditure data on IT hardware and to maximize cost savings opportunities. The figure below summarizes our findings.

- **Discount ranges from 6-25%**
- **Dell and Apple are the most-used IT hardware vendors**
- **The lost opportunity cost of making routine purchases is up to 300K per year**

**Opportunity: Increase Purchases during Summer Refresh**

- Share results and ideas with Information Technology, Academic Technology & others:
  1. **Create** incentives to motivate departments to complete orders during Summer Refresh
  2. **Strategic sourcing** continues to enable us to negotiate the best deal possible for SF State
  3. **PIAT** recommends to have two refreshes per year
  4. Apply a **Three-Factor Acquisition Review** for access, security, and redundancy check
  5. Build a **webpage of preferred vendors**

Date updated: July 3, 2017.