
FY 2009 Issue Brief – HED – IT Software and Hardware

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SUMMARY

The Legislative Fiscal Analyst recommends the Subcommittee prioritize funding to address increases in software costs in USHE information technology. As our dependence on IT grows, ongoing support is essential to provide the necessary software support. The Analyst recommends a priority list item of ongoing funding in the amount of \$900,000 for software licensing. The Analyst also recommends the Subcommittee place both an ongoing and a one-time appropriation of \$4 million for IT equipment replacement on the priority list.

OBJECTIVE

The USHE utilizes central purchasing, licensing, and management of major software systems in an effort to provide efficiencies and reduce overall costs.

DISCUSSION AND ANALYSIS

The maintenance and licensing arrangements for some of the major software systems are managed through the Commissioner's Office. Central management and group purchasing of major software and hardware has a number of advantages:

- Cost savings generated from increased purchase discounts for volume purchases
- Standardization of software over the USHE for efficient transfer of data
- Facilitation of reporting and warehousing of data

To provide the necessary software licensing, the Analyst recommends \$900,000 be placed on the priority list.

Much of the current IT equipment at the USHE institutions is aging and is in need of replacement. New technology will replace obsolete equipment with faster and more efficient equipment. An ongoing appropriation funding level of \$4 million will provide for a systematic replacement schedule for routers, servers, switches, and hubs for the USHE campuses. The one-time \$4 million will help to jump start the replacement cycle.

