Framework for Decision Making
With Regard to the Acquisition of Software-Based Applications

Introduction: This document is intended to serve as a recommended framework for Cal Poly based on current business practice. It applies to all applications which will be placed in use within the scope of the University as an enterprise and as such shall include considerations for use by designated auxiliaries and the Foundation where there is both an explicit or implicit concern regarding issues of support, compliance or impacts on the costs of same for the University or the efficient management of matters such as sustaining a secure and free flowing interaction of information or services for the University and to its constituent stakeholders including students, faculty, staff, alumni, parents and prospective students or the associated stakeholders of, for example, the clients of designated Institutes.

The “problem statement” as to what this is to address and why it is necessary, simply put, is to prevent, minimize, or fix the impact of adverse or unintended consequences or risks to the University or its affiliated functional units caused or resulting from the acquisition or and use of software applications that are potentially of value per se in their specific functional area but which do not integrate effectively into the University’s or CSU’s requirements for service, security, or compliance to regulation or law. It is also to reduce or eliminate unnecessary, or duplicative purchases and expenses and to better aggregate demand for negotiations and site licensing evaluations.

Stated positively, the intent is to create both an awareness and the practical procedures/processes to assist all campus units/functions in making decisions about software based technologies and applications that have the best possible usefulness to the University and their own operations, yet prudently minimize or mitigate the risks and costs to purchase, implement, support and maintain the applications and the infrastructure (both physical and policy based) that support the application.

It is structured as a checklist for use in considering the acquisition of software-based applications but in specified cases shall be applied as either a guideline or as a strict matter of compliance in said decisions regarding the acquisition of certain applications or where the anticipated impact of the uses of the application necessitate a truly compliant integration. Risks and the costs of resources to the University shall be factored into the evaluation of weather compliance is actually necessary prior to any unit or campus agency incurring costs or other like commitments in the actual acquisition process. Beyond this essential risk and total cost of resources screen, the specific decision will be endorsed by the campus computing committees\(^1\) who will serve as a key review gate for all purchases whose total life cycle value is estimated to be in excess of $20,000 on a Total Cost of Ownership basis.

\(^1\) While designed for IACC, AACC and/or IRMPPC per se, SC3 should at times be in either an assistive, consultative or possibly active user role for this framework and efficient procedures shall be developed for application in procurement by the State or Foundation’s procurement organizations to assure effective application of these measures.
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This level is a current acquisition cost “threshold” and was recommended from current consultation, subject to upgrades guided by implementation experience and specific committee actions.

One key goal of this framework as implemented will be to assist the university toward a process of better understanding total cost of ownership (TCO) as a key overall approach to determining such decisions based on “value beyond price” in an IT context.

This framework is not intended to further burden the existing administrative procurement process, but rather to serve as a current best practices business tool to further communication and understanding of the implications and impact of purchasing software tools in advance of the actual purchases and to make better life-cycle IT based decisions concerning the services and infrastructure of the enterprise.

Specific framework implementation for specific decisions will be negotiated between the unit sponsor(s) (if applicable), ITS, and the appropriate computing committee(s) based on the nature of the proposed acquisition (e.g., academic, administrative, enterprise-wide application, etc.), the anticipated cost of the project, and the perceived impact of the solution under consideration on present and future methods of operation. It is expected that all committees will address IT decisions of both purchased and donated assets within this framework and that applications driven by external agencies such as ones emanating from the Chancellor’s Office shall be evaluated as well on a timely basis.

It is also expected that the respective computing committees or specified units will develop their own processes, and statements of roles and responsibilities with regard to implementing this framework within the culture and charter or responsibilities of each committee or units but that in specialized cases such as where grants or donations or where mandated applications from other sources are involved will that timely attention to this framework will be considered and decided. In all cases the spirit of collaboration and consultation shall guide the need for the appropriate level of compliance. It is expected that the depth and detail of the review expended will be appropriately comparable with the value of the proposed expenditure and its impact on operations or new services and that matters requiring escalation will seek first the guidance of the IRMPPC.

Next Steps:

- **Separate the “must haves” or required items/issues from the “should consider” in each stage of the process.**
- **Meet and agree with key staff, especially procurement and ISO as to the pragmatic scope of action, work flow, and review needs as well as workload and impact and determine a realistic implementation schedule-timeline for final revision/approval, adoption and implementation for the campus.**