CUSP (CU I&E) Submission: Efficiencies in Computer Ordering [1]

I am responsible for coordinating the ongoing purchase/replacement of our department's office computers. ITS manages our IT network, software, and hardware and their policy is to require all hardware to be covered under warranty. One of the features of the university's procurement arrangement with Dell is that computers come with a three year warranty, as opposed to the standard one year. I thought that replacing computers every three years was excessive given our departmental needs, so I did a cost analysis of paying for an additional (fourth) year of warranty coverage and found that it saved money. Now we're on a four-year replacement cycle.

How Does This Impact the University?

Beneficial impacts are twofold. First, although the longer warranty makes the initial purchase price higher, the cost per year of useful life saves $102 per machine for a savings total of $3,965 per year for all our departmental machines. Second, using machines over a longer period of time reduces our consumption of resources in general. It should be noted that we do not replace all our machines at once but spread it over four years so the savings will vary depending on changing hardware and warranty costs. But over two purchase cycles, the savings have been similar.

Implementation Status

Our department implemented this practice in FY09 and we have been through two replacement cycles over a period of three years (we skipped one year to realign from a three-year to a four-year period).

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