Dear Deans, Directors, and Department Managers:

Beginning today, units at the university can order desktop and laptop computers through a strategic contract with Hewlett-Packard (HP). This contract, which is an integral component of the university’s IT Rationalization and Strategic Sourcing Initiatives, is expected to save the institution nearly $6 million annually.

Strategic Sourcing involves establishing agreements with vendors that provide aggressive pricing on a wide variety of quality products and services in return for a commitment from the university to meet specific volume targets. As part of the process, a cross-functional team representing about 75 percent of annual expenditures on desktops and laptops evaluated proposals from a number of computer companies and tested a variety of products and configurations.

Ultimately, this team, which included representation from the College of Engineering, the College of Literature, Sciences, and the Arts, the Medical School, the Institute for Social Research, the School of Dentistry, and Medical Center Information Technology, concluded that HP could meet the university’s diverse desktop and laptop needs, while saving the institution millions of dollars. The team was led by Information and Technology Services and Procurement Services.

Our success in achieving the expected savings relies on your commitment to using the HP contract and we encourage you to take advantage of this special pricing. Outreach efforts are already underway across the university to help units learn how to use the HP contract. We do understand there will be exceptions from time to time and a process is in place to accommodate these special circumstances.

As part of our commitment to ensuring a seamless transition to HP, we’ll be offering set up and configuration training on HP desktops and laptops to IT staff across the university over the next several weeks. For information on ordering HP desktop and laptop computers through the university’s new strategic contract, please visit http://www.finance.umich.edu/procurement/howtobuy/universitycontracts/hp.

On a related note, the university’s Procurement Services Department recently reorganized into commodity-based teams to more efficiently help units in all phases of the purchasing process and remain a center of expertise on negotiations, ultimately resulting in better terms, pricing, and lower risks for the institution.

Thank you for your support of the IT Rationalization and Strategic Sourcing Initiatives and for being good stewards of the university’s financial resources. If you have any questions, please call (734) 764-8212, option 1, or e-mail procurement.services@umich.edu.

Nancy A. Hobbs
Director of Procurement Services