



UT System Administration Policy Library -- Policy UTS140 **Enhancing Large Software Purchases**

Responsible Officer: Executive Vice Chancellor for Business Affairs

Sponsoring Office: Office of Business Affairs

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POLICY STATEMENT

The selection and implementation of major software systems is a costly and complicated endeavor. Critical management decisions and the consequences of those decisions extend well beyond vendor selection and include choices of project management, staffing and organizational structure, managing user expectations, change management, maintenance and support, and resource commitment. As a result, some colleges and universities have often experienced numerous unexpected setbacks and budget overruns when implementing such systems.

Because of the costs and attendant risks associated with major software system selection and implementation and due to the varied experiences and expertise of our campus business and information technology leaders, it would seem both helpful and appropriate to maintain a process where the intent to make major software system decisions are communicated. Best practices can then be shared, consistent quality planning can be utilized, and System resources can be leveraged to reduce cost and risk.

RATIONALE

This policy provides guidelines and requirements for the selection and implementation of major* software systems and for their inclusion in the Information Systems Improvement Program (ISIP). The ISIP details the UT System's long-range plan to enhance information processing and reporting. The ISIP is a rolling six-year projection of major* software acquisitions to be funded from campus and System-wide revenue sources.

*Major software acquisitions are defined through the use of a project sizing tool which is customized for each campus.

The authority for this policy is provided by *Texas Education Code* Section 65.31, "General Powers and Duties".

The inclusion of all planned major software system projects into an (ISIP) would provide the following benefits to the campuses and to the System:

- The Board of Regents and the campus and System leaders would all better understand the magnitude of our anticipated resource needs for these projects.
- Campuses would be aware of software plans at other institutions and would be better able to collaborate and/or partner with each other.
- A peer review would be established with the goal of providing guidance in both the selection and future implementation of the project.

- Understanding the System-wide resource needs would permit alternative funding strategies to emerge (e.g. use of PUF debt for system purchases).
- Software implementation planning and implementation strategy would be more consistent throughout the System.
- Risks and expectations would be better managed.
- Best practices, as they evolve, would be more easily updated and shared.

SCOPE

All institutions and UT System Administration

WEBSITE ADDRESS FOR THIS POLICY

<http://www.utsystem.edu/policy/ov/uts140.html>

RELATED STATUTES, POLICIES, REQUIREMENTS OR STANDARDS

UT System Administration Policies & Standards	Other Statutes, Policies & Standards
	<ul style="list-style-type: none"> • Texas Education Code 65.31 General Powers and Duties.

CONTACTS

If you have any questions about UT System Administration Policy UTS 140, *Enhancing Large Software Purchases*, contact the following offices:

Subject	Office Name	Telephone Number	Email/URL
	Office of Business Affairs	(512) 499-4560	http://www.utsystem.edu/bus/

DEFINITIONS

Major software acquisitions: Defined through the use of a project sizing tool which is customized by each campus.

Information System Improvement Program (ISIP): UT System's six-year projection to enhance information processing and reporting of major software acquisitions to be funded from campus and System-wide revenue sources.

Project charter: The Project Charter provides information used to formally approve and initiate activities for delivery of the project. The charter document typically includes a project description, statement of purpose, business objective(s), scope, major milestones, key assumptions, delineation of authority and responsibility, project organization, source(s) of funding, and key points of contact.

RESPONSIBILITIES

UT Institution Information Technology Office

- Evaluates the UT Institution's projected need for new or upgraded information system software.
- Reviews the UT Institution's software acquisitions using the customized "project sizing tool" and "project cost worksheets."
- Completes a "Request for Inclusion on The University of Texas System Information System Improvement Program" form (ISIP request form) and a Project Cost Worksheet for each UT Institution project that is a major software purchase.

UT System Associate Vice Chancellor and Chief Information Officer

- Reviews and makes recommendations on "major" software acquisitions or upgrades.
- Reviews and makes recommendations on ISIP request forms and Project Cost Worksheets for UT System major software purchase projects.

UT Institution Chief Information Officer

- Reviews and makes recommendations on the UT Institution's "major" software acquisitions or upgrades.

- Reviews and makes recommendations on ISIP request forms and Project Cost Worksheets for the UT Institution’s major software purchase projects.

UT Institution President and

UT Institution Chief Business Officer

- Approve a UT Institution’s major software projects.

UT System Office of Technology and Information Services (OTIS)

- Evaluates UT System’s projected need for new or upgraded information system software.
- Reviews UT System’s software acquisitions using the customized “project sizing tool” and “project cost worksheets.”
- Completes a "Request for Inclusion on The University of Texas System Information System Improvement Program" form (ISIP request form) and a Project Cost Worksheet for each UT System project that is a major software purchase.

UT System Executive Vice Chancellor for Business Affairs

- Officially interprets this policy and is responsible for revising it as necessary.

UT System Chancellor and UT System Executive Vice Chancellor for Business Affairs

- Approve UT System’s major software projects.

PROCEDURES

Through strategic information technology planning that is consistent with the institution’s long-range plans; each campus should evaluate its projected need for new or upgraded information system software. Once needs are ascertained and alternatives identified, planned potential software acquisitions should be vetted and reviewed using the customized “project sizing tool” and “project cost worksheets” which are attached. The project sizing tool will assist each campus in determining whether the planned software acquisition or upgrade is defined as “major.”

“Major” software acquisitions or upgrades should be included on the UT System’s ISIP and are subject to review and recommendations by the UT System Associate Vice Chancellor and Chief Information Officer. Projects must be reviewed and included on the ISIP before contracts are negotiated or signed.

The contract process for securing software and/or consulting services remains unchanged by this policy and final approval of an institution's major software projects continues to rest with the campus president and chief business officer.

Planning and implementation of major software acquisitions or upgrades should include the following elements:

- A project charter
- A business case analysis
- A steering committee and executive sponsor
- A detailed estimated budget including ongoing maintenance costs
- A source of funds
- An estimated implementation schedule
- A scope statement
- A risk assessment
- A project tracking plan with milestone reporting
- A communication matrix
- Provisions for ongoing performance reporting

Please note that projects may be included on the ISIP before all of the above elements are completed, but may not proceed until each item is finalized. Minimally, a project should have an estimated budget and implementation date for inclusion on the ISIP.

While the ISIP will require no formal approval by the Board of Regents, it will serve as a communication tool to help the System and all institutions better understand the planned direction of, and investment in, information systems. The ISIP will provide a resource to facilitate collaborations and enhance integrated planning and perhaps implementation among the campuses. It is also anticipated that we will periodically report on our plan and progress to the Board.

Effective immediately, UT System and institutions should use the Project Sizing Tool (or similar tool), to identify major software projects. Once it has been determined by the institution that a project qualifies as a major software purchase, a "Request for Inclusion on The University of Texas System Information System Improvement Program" form (ISIP request form) and the Project Cost Worksheet should be completed for the project.

The ISIP request form and the Project Cost Worksheet should be submitted to the UT System Associate Vice Chancellor and Chief Information Officer (AVC and CIO) for review and recommendations before contracts are negotiated or signed.

The Executive Vice Chancellor for Business Affairs officially interprets this policy and is responsible for revising it as necessary to meet the changing needs of The University of Texas System and statutory requirements.

FORMS AND TOOLS/ONLINE PROCESSES

[Project Sizing Tool](#)

[Request for Inclusion on The University of Texas System Information System Improvement Program](#)

[Project Cost Worksheet](#)

APPENDIX

N/A

Keywords: software purchasing, software, software purchase, software purchases, computer, computers, vendor, vendors
