

# **Software Management Project Overview**

Report to UMC

December 19, 2006



# Purpose

- Streamline process for the acquisition of software within the organization.
- Facilitate maintenance and tracking of software within the organization.
- Acquire best overall pricing for software.
- **Maintain compliance with license and regulatory requirements**

# Investigation

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- Jose Castilleja-MMM
- Emily Doremire-Unidata
- Bill Hammel-Contracts
- Belinda Housewright-CISL
- Gaylynn Potemkin-CGD
- Kim Prinzi-Kimbro-COSMIC
- Colette Seepers-Contracts
- Rochele Torgler- EOL
- Kim Webster-RAL

# Investigation

- Identified and evaluated current software processes within the organization and where appropriate recommended improvements.
- Identified potential for cost savings in software processes.
- Identified areas where standards, policies or procedures should be developed.
- An RFP was issued to Large Software Resellers

# Findings

- **Software purchases and maintenance in FY06 totaled \$1,322,930.47**
- **Software publishers and government sanctioned software compliance organizations have the right to audit UCAR systems at their discretion.**
- **UCAR does not have a process in place to internally audit software licenses.**
- **Approximately 200 unique software packages are currently in use within UCAR. Of those only 45 are used by more than one division.**
- **Current processes for purchasing, maintaining, and tracking software are inconsistent or nonexistent.**

# Software Compliance

- Mandated by the Anti-Piracy Act
  - Government Sanctioned Compliance Agencies
    - Business Software Alliance (BSA)
    - Software & Information Industry Alliance (SIIA)
  - Organization has the burden of proof

# Weaknesses

- Redundancy and inconsistency exists when contacting vendors directly for pricing.
- Tracking of software licenses is inconsistent.
- Purchase order process is time consuming.
- Tracking of CC orders is problematic.
- Renewal process is inconsistent.
- User education not adequately provided.
- License usage is not tracked or balanced

# Opportunities

- **Process consistency**
- **Cost reduction by price breaks and administrative efficiencies**
- **Develop better communication and coordination between divisions and Contracts.**
- **Negotiate contracts proactively.**
- **Develop effective tracking/auditing processes.**
- **Realize cost savings in initial purchase and ability to harvest licenses.**

# Software Tracking Variables

- Account Key
- Software Vendor
- Software Publisher
- Software Name
- Software Version
- Type (License, Media, or Both)
- Date of Purchase
- PR#/CC
- Purchaser Name
- End User (optional)
- System Name
- Maintenance (Date or N/A)

# Management Involvement

- Software management strategy must be strongly endorsed by upper management.
- Coordination of software processes within organization is critical.
- Standards and defined procedures must be in place.
- Training across the organization is required.
- Coordination of tracking and auditing of software is necessary.

# Request for Proposal

- Benefits of Large Account Reseller (LAR)
  - Can facilitate price negotiation with publisher.
  - Required to keep accurate records and report sales to publishers.
  - Can coordinate co-term maintenance agreements.
  - Required to abide by publisher's price structure.
  - Provides better pricing.
  - Provides "on-line" secure portal for placing orders and generating reports.

# Recommendations

- UCAR procure all software purchases through the selected, Large Account Reseller (LAR), with the exception of those packages not available from the primary vendor.
- Identify Division Software Administrators.
- Start training session

# Recommendations

- Recommend that UCAR implement the following roles to facilitate the acquisition, licensing, maintenance, tracking, and auditing of software assets.

**Division Software Administrator**

**Orders and administers all divisional software.**

**Corporate Software Administrator – Focal point and administrator for Software Prime Agreement.**

**Identified as Colette Seepers in Contracts.**

# Recommendations

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- Educate staff on compliance with organizational agreements as they pertain to the acquisition of software (1-1-23 Ethical Conduct).

# TIMELINE

- 12/19/06 Present to UMC
- 1/2007 Complete contract negotiations
- 1/2007 Present to Division Administrators
- 2/2007 Begin training for Division Administrators
- 2/2007 User Training
- 3/2007 Switch to web based purchasing



# Questions/Comments

