Overview:

Information technology is expensive. Often, units struggle to make the case and secure funding for the initial purchase of computing equipment while losing sight of a long-term strategy for its life cycle funding and maintenance; critical to the sustainability of the system/service. Also, there are currently no formal financial vehicles at Penn State to “save” for on-going, large purchases of information technology equipment and software without affecting a unit’s carry forward or financial picture.

Information Technology Services (ITS) faces the same struggle with life cycle and maintenance expenses for computing equipment and software maintenance. Each ITS unit had a process they used to project their future funding needs for sustainable systems. This Sustainable Information Technology (SIT) account for ITS requires a consistent planning process across ITS for strategic IT systems and services. Greater consistency and transparency in planning provides ITS the ability to leverage the life cycle resources of ITS as a whole.

History:

ITS, the central information technology unit at Penn State, supports the University via the following units:

- Administrative Information Systems (AIS)
- Consulting and Support Services (CSS)
- Digital Library Technologies (DLT)
- Emerging Technologies (ET)
- Research Computing and Cyberinfrastructure (RCC)
- Security Operations and Services (SOS)
- Teaching and Learning with Technology (TLT)
- Telecommunication and Networking Services (TNS)

Each unit has extensive equipment life cycle funding needs in order to sustainably support Penn State’s mission, although TNS was the only unit that had a carry forward exempt budget for multi-year projects. We’ve endeavored to find the documentation on this agreement from many years ago, but could find nothing in writing. This account was intended to accrue funding for large equipment replacement supporting Penn State’s network.

In 20102011, with the concurrence of Joe Doncsecz, Controller, ITS created two SIT (special project) accounts to replace the previous TNS account:

- 09028005UP10010 – Institutional Sustainable IT
- 09028006UP10010 – Student-related Sustainable IT

These accounts use cost centers to track specific systems/services multi-year expenditure requirements and budget resources, providing a view of strategic funding needs. Annually,
service expenditure projections are updated to keep a rolling 5-year view. These projections are shared annually with the Corporate Controller and Budget Officer, ensuring openness, accountability and good stewardship of funds entrusted to ITS in support of University systems/services.

**Benefits of SIT Account:**

- Separates operational funding from funding for sustainable systems to negate rationale for annual carry forward exemptions.
- Permits ITS to leverage its life cycle funding resources in the eventuality of an urgent need for equipment replacement prior to life cycle date without requiring a loan.
- ITS Operating budget is much easier to understand and manage with life cycle resources removed – provides a better view for Central decision makers.
- ITS could be a model for other Penn State units that should be planning for equipment life cycle expenses, a continuing source of frustration for virtually every unit across the institution.

**Expenditures included in SIT:**

The SIT Account includes expenditures that sustain University systems and services.

- One-time equipment expenditures (life cycle)
- Software expenditures with multi-year contracts (license purchase or rental whether paid up front or annually)
- On-going maintenance expenditures with multi-year contracts (hardware and software whether paid up front or annually)
- OPP standing orders for on-going maintenance of data center services

**Expenditures excluded from SIT:**

The SIT excludes expenditures that are operational in nature and paid from unit general funds.

- Salaries, Wages, Graduate Assistant tuition or associated fringe
- Unit administrative expenses, not limited to: PC’s, TSM backups, facilities renovations (except for data center specific), furniture, utilities, department phones and cell phones
- Conferences, training or travel
- Memberships, certifications
- Innovation expenses (equipment, software and related expenses) for developing services not yet in production. They will transfer to SIT when in production.