Analysis of Suggestions for Improvement as part of the FY 2010 County's Line of Business & Schools Program Review Processes Fall 2008

Request By: Public

Suggestion: No new PC replacements for 1 year.

Response By: Department of Information Technology

Background: The County has had an enterprise PC replacement program since 1996 which has provided predictable costs and stable infrastructure for County agencies, a lower total cost per user built into the design of the program by providing enterprise-level economies of scale through volume buying, standardization, enterprise software licensing, bundling the software, hardware, and warranty, and automating deployment and system management. It has been successful in ensuring that County agencies have functioning tools to perform daily work, optimizing system up-time and enhancing worker productivity. The budgeted cost includes the PC, software (i.e. Microsoft office suite and client access licenses which are required to connect to databases and the corporate e-mail system), PC installation, and secure, environmentally friendly disposal of the PC.

Throughout the history of the program, the Department of Information Technology (DIT) has made adjustments to maintain system-wide performance needed to keep the PC endpoint operable supporting County business needs as technology has rapidly changed. For example, DIT has reduced costs from the 1996 level of $600 to the current $500 per machine per year as price points dropped on hardware and by cost savings generated by bundling software, hardware and installation. In addition, sound fiscal management and technology standards have enabled the County to sustain operational integrity as fiscal constraints have necessitated budgetary reductions.

Recommendation:

Currently, Fairfax County government meets the industry standard of a four year replacement cycle (source: Gartner Group, Forrester, etc). The County could defer replacement for one year, effectively extending the program to a five year replacement cycle. However, agencies would accept increased risk of performance failure and the associated impact of lost worker productivity. Additionally, this cost savings would partially be offset by corresponding costs for break-fix and program support. Currently, most PCs are purchased with a useful life cycle of four years with a warranty to match. Extending the life cycle beyond four years greatly increases the probability that the PC will fail and require immediate replacement. DIT knows from experience that even the PCs that do not fail will generate increased demand for technical support, which generates additional support costs.

The projected net savings for a one year deferral is $3,048,543, adjusted for support and fifth year warranty costs and the software license annual obligation. Additional risks that are more difficult to cost out include more vulnerability to the security of the network since older or PCs below the minimum configuration will most likely not accept the automated antivirus patch management program. Another risk is the lost productivity from having PCs that are continually out of service while they are being serviced and/or replaced.

DIT is currently studying alternative options to restructure the program at a lower annual cost.