
**October 15th SPUG Meeting
Follow up Questions**

1. Question:

How did we arrive at the \$81.5 million saved, to date?

Answer:

The indicated savings is based upon past, present, and future savings resulting from DAS awarded contracts that were strategically sourced. For example, if DAS awarded a three-year contract in FY12 with a \$1M savings per year, the reported savings would be \$3M, even though the savings to date is \$1M. This is because the strategic sourcing actions have already happened, while the savings will unfold over the life of the contract.

It may be more clearly stated as “\$81.5M in savings based upon contracts awarded to date.” The actual savings to date (through the end of FY12) is about \$57M.