

Microsoft Licensing Agreement

Approval of Enterprise Licensing and
Installment Payment Plan

May 4, 2020



Background for Today's Request

- Today's requested Board action:
 - Approve an agreement for Microsoft licensing
 - Approve a payment plan for the initial term of the agreement
- Fiscal impact
 - No additional funding requested
 - Funding for this agreement is included in the Information Services FY20 and ongoing operating budget
 - Funding unaffected by proposed IS FY20 and FY21 cuts

Proposed Agreement Details

- Consolidates and co-terminates two existing Microsoft licensing agreements and adds a third component
 - *Existing:* Server and SQL database licensing covered since 2006
 - *Existing:* O365 licensing since 2017
 - *New:* Windows desktop software
- Proposed agreement utilizes an aggressively-competed, pre-negotiated NCDIT statewide contract
 - Provides pricing at the highest discount level offered by Microsoft
 - SHI providing additional 18% discount off NCDIT discount level

Critical Tools for Core Systems

450 MS Windows Servers; 70+ applications utilizing SQL databases

Tax Administration	Billing/Collections, Reval and Computer Aided Mass Appraisal applications
Human Services	Public Health, Dental, Clinical Lab and Patient Portal applications
Sheriff's Office	Jail and Records Management applications
Register of Deeds	Vital Records application
CCBI	Mugshot/Fingerprint, Digital CrimeScene and Lab Information applications
EMS	Quality Assurance, Cardiac Arrest Tracking, Code STAT applications
Communications Office/IS	WakeGov - County's citizen facing website
HS/Finance/Tax Administration	County's enterprise document management tool housing over 11 million documents
Fire Services	WebEOC - Tool used for the last 3 months to manage EOC operations

Significant Use Increase in O365 Collaboration Tools Due to COVID and Teleworking Policy

Email	<ul style="list-style-type: none"> – 4,600+ employee mailboxes – 2.9 million emails averaged per month – 12 shared mailboxes utilized for COVID response in the EOC
Power BI	<ul style="list-style-type: none"> – Utilized for all COVID related dashboards – Utilized for data driven decision making throughout the County
Power Automate	<ul style="list-style-type: none"> – Utilized for the COVID Assessment/Monitoring application in the EOC – Utilized for the COVID Housing application in the EOC
Teams chat and collaboration	<ul style="list-style-type: none"> – About 3,400 messages per day over the past month – 57 Teams collaboration sites deployed since January – Use is up 40% in the past 60 days
SharePoint collaboration sites	<ul style="list-style-type: none"> – 437 team sites deployed hosting over 382,000 files – Use is up 60% in the past 60 days
OneDrive cloud data storage	<ul style="list-style-type: none"> – 6.75 million employee files loaded – Use is up 20% in the past 60 days
MS Office	<ul style="list-style-type: none"> – Installed on 3,576 workstations – Available to all employees via the Internet as well

Desktop Software Powers 6000+ PCs Across the County

- Windows Enterprise Licensing Provides:
 - Extended support for major software updates
 - Enhanced security features for all users
 - Provides exclusive access to enhanced Windows management tools for support of all users

Considering Alternatives

- The 60 applications developed and supported by County staff use Microsoft tools, frameworks and operating systems
- No viable alternative that can run the hundreds of applications and services we use with the same flexibility, stability and security
- No free or cheaper alternative that can run the hundreds of applications we utilize on our desktops
- O365 includes legal compliance features critical to County records retention and public records requests

Considering Alternatives

- MS Office is by far the most common productivity suite available, making it easy to find software and share documents with partners, vendors, customers, etc.
- Tightly-connected tools such as Office 365, Microsoft Teams and Instant Messaging ensure that our workforce can continue to serve customers even while working from home
- Changing from Microsoft would require significant retraining of staff county-wide

Security Considerations

- Our O365 environment meets FedRAMP, ISO, SOC, HIPAA, and PCI/DSS requirements
- Security Standards on “Free Products” are often less stringent and require additional funding for add-on security and compliance tools
- Microsoft gets us enhanced security features including Data Loss Prevention capabilities, the ability to retain and discover data across the organization (eDiscovery) and in-place archiving to be compliant with records retention regulations
- Microsoft gives us the added “insurance” of knowing that they have product roadmaps and support plans to ensure that when we have a problem, someone will be committed to fixing it with urgency

Licensing Quantities Right-Sized For Our Organization

- Working with departments, we've reduced license counts and levels to provide the best tools to meet their needs, while avoiding "overkill"
 - Estimate this process saves us approximately \$140K annually

Value Proposition Offered by Contracts

- For approximately \$1/day per employee, the organization benefits from:
 - Desktop operating software
 - Word, Excel, PowerPoint
 - Email
 - Enhanced security tools
 - Hundreds of custom-built and purchased business applications
 - Data visualizations and dashboards
 - Collaboration tools
 - Instant messaging



Requested Board Action

- Approve a thirty-nine-month licensing agreement with SHI international Corporation for Microsoft Office 365, Windows Enterprise, Server, and SQL
- Approve a no-interest Installment Payment Plan with Key Government Finance for the initial fifteen-month term of the contract
- The request is to authorize the County Manager to execute contracts on behalf of Wake County for these agreements

Payment Due Date	Term	Amount
6/30/20	15 months	\$2,330,030 (spread over 3 payments to Key Finance)
8/31/21	12 months	\$1,864,013.80
8/31/22	12 months	\$1,864,013.80
Total		\$6,058,057

Questions?



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