



Monterey County

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Board Report

Legistar File Number: A 14-261

December 02, 2014

Introduced: 11/6/2014

Current Status: Agenda Ready

Version: 1

Matter Type: BoS Agreement

- a. Ratify and authorize the Contracts/Purchasing Officer to execute a State and Local Agency Server and Cloud Volume Licensing Agreement with Insight Public Sector, Inc., a Microsoft Licensing Reseller, for the provision of enterprise software subscription and maintenance/support for Microsoft applications and solutions utilized by County employees for the period of July 1, 2014 through June 30, 2017;
- b. Accept non-standard contract provisions as recommended by the Director of Information Technology; and
- c. Authorize the Contracts/Purchasing Officer to sign renewals to the Server and Cloud Volume Licensing Agreement with Insight Public Sector Inc, a Microsoft Licensing Reseller, and issue purchase orders on an as needed basis for Microsoft tools and solutions with the same non-standard contract provisions in the amount not to exceed \$19,200 per year over the next three (3) fiscal years.

RECOMMENDATIONS:

It is recommended that the Board of Supervisors:

- a. Ratify and authorize the Contracts/Purchasing Officer to execute a State and Local Agency Server and Cloud Volume Licensing Agreement with Insight Public Sector, Inc., a Microsoft Licensing Reseller, for the provision of enterprise software subscription and maintenance/support for Microsoft applications and solutions utilized by County employees for the period of July 1, 2014 through June 30, 2017;
- b. Accept non-standard contract provisions as recommended by the Director of Information Technology; and
- c. Authorize the Contracts/Purchasing Officer to sign renewals to the Server and Cloud Volume Licensing Agreement with Insight Public Sector Inc, a Microsoft Licensing Reseller, and issue purchase orders on an as needed basis for Microsoft tools and solutions with the same non-standard contract provisions in the amount not to exceed \$19,200 per year over the next three (3) fiscal years.

SUMMARY

It is requested that the Contracts/Purchasing Officer receive approval from the Board to sign a non-standard State and Local Agency Server and Cloud Volume Licensing Agreement with Insight Public Sector Inc., a Microsoft Licensing Reseller, and issue purchase orders on an "as needed basis" in the amount not to exceed \$19,200 per year over the next three (3) fiscal years.

DISCUSSION:

Prior to June 30, 2014, the County of Monterey, Information Technology Department (ITD) utilized the PhoneFactor Inc. product Phonefactor to permit remote access by County Staff to server based applications in a secure and controlled manner. Phonefactor was acquired by

Microsoft, and in order to continue leveraging this technology, ITD would like to license the same product under the Microsoft brand name of Azure Multifactor Authentication, part of Microsoft's Azure Cloud and Server Product Line. This product meets all of the County's adopted Security Policy requirements for allowing secure, remote access to the County data and systems.

Since 1990, software, licensing, subscription and maintenance has been provided directly through Microsoft or through an authorized third party Microsoft vendor. The Microsoft authorized third party reseller to be used is Insight Public Sector, Inc. The following are some current Microsoft products used by the County of Monterey; Office Professional; Project; Visio; Exchange Server for Email; Windows 2008 Server Operating System; CALS; Structured Query Language (SQL) Server; System Center Configuration Manager; SharePoint and Azure Multi Factor Authentication (MFA).

The proposed State and Local Agency Server and Cloud Volume Licensing Agreement is non-standard for the County, but is based upon a standard agreement that Microsoft uses throughout the State and nation, including other governmental bodies. This agreement also allows the County to enroll with Insight Public Sector, Inc, for current and future Azure brand products, and provides the flexibility to determine the level of services, maintenance/support, and licensing of other Microsoft tools. Based upon the County's past experience with this well-established company, and the fact that the Agreement allows the County to renew only on an "as-needed" basis, ITD is recommending approval of this Agreement. A separate agreement will be created and presented for approval for the remaining Microsoft Enterprise products after further review by the Department and the Information Technology Governance Committee.

Under the terms of this Agreement, the County will renew the Enterprise Enrollment every three years, and on a yearly basis identify the software license, subscription, maintenance/support and Microsoft tools needed by the County, and issue payments only for those products needed. The authority being requested is for a limited time period (the next three fiscal years), to ensure that the Board is provided an opportunity to review the progress recommended by the Director of ITD during infrastructure upgrades.

OTHER AGENCY INVOLVEMENT:

The Agreement was not approved by County Counsel and/or Risk Management due to the presence of the following non-standard and unacceptable terms/conditions in the Agreement: unstated or inadequately stated payment/financial liability provisions; inadequate/unstated vendor performance standards; referenced and incorporated contract provisions and documents that are not properly identified nor provided for review; contractual terms are subject to unilateral change/modification by vendor during term of agreement; inequitable termination provisions and no ability to terminate due to lack of funds.

FINANCING:

The funds for payment of this Agreement have been included in the FY 2014-15 Recommended Budget for the Information Technology Department, ITD 1930, Unit 8435, Appropriations Unit INF002. Transactions relating to future fiscal years will be included in each respective Recommended Budget. Should funding be reduced and/or terminated, the County may terminate this Agreement by giving thirty (30) days written notice prior to the ensuing software

subscription period.

Prepared by: Elizabeth Crooke, Management Analyst III, 755-5108

Approved by:

Dianah Neff, Director of Information Technology, 759-6923

Attachments:

- a. Microsoft Server and Cloud Enrollment
- b. Microsoft Server and Cloud Enrollment, Product Selection Form
- c. Microsoft Program Signature Form
- d. Insight Quote