

penalties. In order to obtain the cost benefits of volume licensing, an organization must enroll in one of Microsoft's volume licensing programs. Approval to execute both enrollment agreements will allow NMC to continue its enrollment in its current volume license programs.

The two Microsoft Enrollment program agreements that NMC is requesting authorization to execute offer the following fiscal advantages:

- Enterprise Enrollment: This program provides the best price for when purchasing multiple Microsoft Products together. The Enterprise Enrollment applies to the attached SHI Quote #10024184.
- Server and Cloud Enrollment: This program allows for 15% discount on SQL License and 5% discount on the Software Assurance price licensing on the attached SHI Quote #10009583.

Once the enrollment agreements have been executed, NMC can then purchase Microsoft licenses as per the attached SHI quotes which include the volume discounted pricing available per enrollment in the Enterprise Architect program and the Server Cloud program for a total cost of \$936,040. This cost covers NMC's Microsoft licensing needs for the next three years.

In order to obtain the greatest discounted pricing available to NMC at this time for volume licensing, NMC would need to execute the agreements on or before August 27, 2015 to meet the re-enrollment deadline for "early commitment." SHI has notified NMC that the cost will increase significantly after this date by an additional \$500,000.

OTHER AGENCY INVOLVEMENT:

County Counsel has reviewed the Microsoft Enterprise Enrollment Program Agreement and a Microsoft Server Cloud Enrollment Program Agreement as to legal form and risk provisions. Although the terms of those agreements are not the same as the County's "standard" provisions, they appear to be relatively standard within the industry and are non-negotiable in any event. The County has generally been satisfied with Microsoft products. The Auditor-Controller has reviewed and approved as to payment provisions.

Because the enrollment agreements were only provided to NMC by SHI in the last few weeks there was not sufficient time to present to the NMC Finance Committee and Board of Trustees and still be able to make the "early commitment" signing deadline, therefore NMC did not present this item to the NMC Finance Committee or the NMC Board of Trustees.

FINANCING:

The total cost for procuring Microsoft licenses for use over a three year period is \$936,040. A third of this cost, \$312,013.00, is included in the Fiscal Year 2015-16 Adopted Budget. Amounts for remaining years of the Agreement will be included in those budgets as appropriate. There is no impact to the General Fund.

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Approved by: Gary R. Gray, DO, Interim Chief Executive Officer, 783-2504

Attachments:

Microsoft Enterprise Enrollment Program Agreement

Microsoft Server Cloud Enrollment Program Agreement

SHI Quote #10024184 (for other Microsoft licenses such as Windows, Office and Sharepoint)

SHI Quote #10009583 (for Microsoft SQL Licenses)

Microsoft Confirmation Letter that SHI is authorized reseller for Microsoft

Attachments on file with the Clerk of the Board