



Date of Memo: February 13, 2023
Current Meeting: February 16, 2023
Board Meeting: February 23, 2023

BOARD MEMORANDUM

TO: Indianapolis Public Transportation Corporation (IPTC) Board of Directors
THROUGH: President/CEO Inez P. Evans
FROM: Chief Information Officer Marcus Burnside
SUBJECT: Consideration and approval of Microsoft licensing renewal

ACTION ITEM A – 6

RECOMMENDATION:

In a manner consistent with IPTC procurement award standards, it is requested that the Board authorize the President/CEO to renew Microsoft Annual Licensing for Year 2 of the 3-Year Microsoft Enterprise Agreement (EA) with Dell Marketing, LLC, in an amount not to exceed \$118,095.

BACKGROUND:

IPTC utilizes a Microsoft Enterprise Agreement (EA) for Microsoft products, including Microsoft Office (Word, Excel, PowerPoint, etc.), Visio, Project, SharePoint, Office 365 cloud-based email, Windows Server, and Azure Cloud Instance. The purpose of entering into a Microsoft Enterprise Agreement (EA) for licensing is to lock in the cost of subscription licenses over three years without inflation. The benefits are IPTC would not pay for any license listed in the EA for more than the stated price, and IPTC would benefit from decreases in subscription licenses during the term. If the costs decrease, so will our annual renewal.

DISCUSSION:

In January 2022, IPTC leveraged the State of Indiana Quote Purchasing Agreement (QPA) pricing for a new 3-Year EA contract with Dell Marketing, LLC. The purchase allowed IPTC to maintain fixed pricing through March 31, 2025. This Microsoft licensing renewal does not include Microsoft Dynamics 365 (D365). IPTC will explore the cost variance between pricing with our EA and the selected D365 Cloud Service Provider vendor (CSP), Crowe Horwath LLP, and will incorporate the D365 licensing with the vendor's lower pricing.

ALTERNATIVES:

The Board could choose not to renew the current Microsoft Enterprise Agreement (EA). However, IPTC will no longer have Microsoft-licensed products, including corporate email and Intranet.

FISCAL IMPACT:

The funding for this project will be from the Information Technology operating budget. The cost of Microsoft licensing in FY2022 was \$117,741. The Microsoft licensing price for FY2023 and FY2024 is \$118,095 based on the fixed pricing negotiated in the current Microsoft EA agreement if our licensing needs remain constant.

DBE/XBE DECLARATION:

There is no DBE goal associated with this contract award.

STANDING COMMITTEE DISCUSSION/RECOMMENDATION:

This action will be reviewed by the Finance Committee on February 16, 2023.