



Citywide Agreement with Zones for Microsoft Products

To: Budget and Finance Committee

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Overview

New agreement for Microsoft software products & cloud computing solutions

- ❑ Not-to-Exceed Amount: \$55M (\$46M estimated spend + \$9M as needed products)
- ❑ Contract Term: 3 years
- ❑ Objective: to replace the current agreement with Zones (expiring on 8/31/23)

Scope

- ❑ Participating Departments: all City departments except for MTA
- ❑ Example of Products:
 - Outlook, Words, Excel, PowerPoint & other common applications for all employees
 - Teams for meetings and conferences
 - SharePoint licenses for document management and employee collaboration
 - Many others: PowerBI for data analytics, SQL server for database management, PowerAutomate for process automation, EMS for mobile device security management, Azure for cloud computing



Cost Management

Effective Contract Negotiation

- ❑ 28,000 Enterprise Mobility & Security licenses free for 12 months - \$1.5M saving in FY23
- ❑ 28,000 MS Teams licenses free for 3 years - \$2.3M savings for FY24-26
- ❑ Upgrade from O365 to M365 – enhancing features without increasing cost

Robust Post-Award Contract Management

- ❑ Departments must seek approval from DT before placing any order
- ❑ DT sends monthly report of inactive licenses to all departments and asks for confirmation to close the accounts
- ❑ DT facilitates a major license clean-up with all participating departments every three years before contract renewal, resulting in savings of about \$414,000/year



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Any Questions?