



# **CITY COUNCIL AGENDA REPORT**

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MEETING DATE: JANUARY 7, 2014

ITEM NUMBER:

**SUBJECT: PURCHASE OF MICROSOFT OFFICE PROFESSIONAL 2013 LICENSES THROUGH THE MICROSOFT ENTERPRISE AGREEMENT**

**DATE: DECEMBER 18, 2013**

**FROM: INFORMATION TECHNOLOGY DEPARTMENT**

**PRESENTATION BY: STEVE ELY, INTERIM I.T. DIRECTOR**

**FOR FURTHER INFORMATION CONTACT: STEVE ELY, INTERIM I.T. DIRECTOR, 714-754-4891**

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## **RECOMMENDATION:**

Staff recommends the purchase of Microsoft Office Professional Plus licenses through the Microsoft Enterprise Agreement (EA) Program for 448 desktop computers from CompuCom Systems in the amount of \$181,690.88. This amount will be payable in two equal payments of \$90,845.44, with the first payment due in January 2014 (FY 13-14) and the second payment due in July 2014 (FY 14-15).

## **BACKGROUND:**

The purchase of Microsoft Office 2013 Professional Plus licenses will allow City staff to upgrade from the current version of Microsoft Office Professional 2003 to the most current version. This upgrade is necessary for compatibility with other software vendors, and the impending loss of support for the 2003 version of Microsoft Office.

The department currently has an EA agreement with CompuCom for Client Server, Exchange, and Window Server licenses. This recommendation would be added on to the existing agreement.

CompuCom is currently offering a promotion on the purchase of Microsoft Office Professional Plus through the Microsoft Enterprise Agreement. Microsoft EA is Microsoft's least expensive licensing program, and would also offer the City additional benefits that it would not receive by purchasing the licenses independently.

These additional benefits to the City include:

- One-hundred percent of the City's computers are now going to be licensed for the current Office Professional Plus 2013 version.
- Maintenance (upgrade rights) is automatically included on the EA. In the event that Microsoft releases a newer version of Office before the EA expires in August 2015, all of the City's Office licenses would upgrade to that new version for free.
- The City will receive some free end-user training for the Microsoft Office products that has not been offered before.

The total number of licenses, 448, includes all computers citywide.

**ANALYSIS:**

The City Council has approved participation in other public agencies' purchasing bids and contracts with the adoption of Resolution 94-11 on March 7, 1994. The Software Licensing Program (SLP) was established in January 1994 and is being administered by the Department of General Services (DGS). This program enables California State agencies and local governments to purchase software licenses (such as Microsoft Office Professional Plus 2013) at a discount through authorized participating resellers. SLP was also established to streamline purchases by removing repetitive, costly, and time-consuming bid processes on proprietary software licenses.

Software pricing is obtained through Riverside County EA (CCISDA/MISAC) agreement.

**ALTERNATIVES CONSIDERED:**

The department considered a one-time purchase for the current Office Professional Plus 2013 on the Select Agreement. This would be a one-time upgrade. There are no future upgrades (maintenance was not included) and no other benefits. In the future, if the City wanted to upgrade to the next version of Office, the City would need to buy new licenses for Office Pro at that time in order to upgrade. This was deemed not to be cost effective.

**FISCAL REVIEW:**

Funding for this agreement is included within the \$1.7 million approved on February 19, 2013 for IT upgrades. Appropriations for these funds will be included in the mid-year budget report.

**LEGAL REVIEW:**

The City Attorney has approved the documents as to form and content.

**CONCLUSION:**

Approving the EA agreement with CompuCom will provide the licensing needed to support 100% of the City's computers.

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STEVEN A. ELY  
Interim I.T. Director

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STEPHEN DUNIVENT  
Interim Finance Director

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TOM DUARTE  
City Attorney

- ATTACHMENTS:
1. [Vendor's Quote](#)
  2. [Purchase Requisition](#) (for reference)