



May 3, 2013

City Council Committee Report

TO: Mayor and Council

FR: Charlotte Caron

RE: Microsoft Licensing

Recommendation:

That Council hereby approves an additional capital budget allocation for the purchase of required software licenses in the amount of \$82,500 to be funded through the City's Information Technology Reserve; and further

That in keeping with Notice By-law Number 144-2007 public notice is hereby given that Council intends to give three readings to a by-law at its May 21, 2013 meeting to amend its 2013 Capital Budget.

Background:

In November of 2011 the City of Kenora's IT Department was contacted by Microsoft to participate in a volume licensing review. The City has participated in the volume licensing program for more than six years. A condition of the volume license is compliance with any requested reviews.

Microsoft's Volume Licensing program is not well understood and Microsoft has initiated a compliance and education campaign. As a result of the review it was determined that the City's licensing was out of compliance in eight areas, most notably in the licensing of Microsoft Office. When a license is purchased outside of the Licensing Agreement as many of the originally purchased licenses were, those licenses are purchased at a reduced price as they cannot be used on any computer other than the one they were purchased for. When a new computer is purchased, if the old computer is not retired, the appropriate licenses will be purchased through the volume licensing program. When a license is purchased through the volume licensing program, it may be reused if a computer is retired. The City takes advantage of reduced pricing by purchasing through the provincial vendor of record program.

Budget: Addition of \$82,500 to IT Department 1348993 Software Licenses.

Communication Plan/Notice By-law Requirements: For information purposes to Council.