

Microsoft M365 User License Renewal – Award of Contract

Date:	January 24, 2022
To:	Toronto Public Library Board
From:	City Librarian

SUMMARY

The purpose of this report is to seek Toronto Public Library Board approval to award a contract to Softchoice Corporation for the supply of Microsoft M365 user licences in order to support Toronto Public Library's (TPL's) digital and IT strategies.

The term of the contract is three (3) years and the estimated value of the commitment is \$1,339,600, excluding Harmonized Sales Tax (HST).

RECOMMENDATIONS

The City Librarian recommends that the Toronto Public Library Board:

1. enters into a contract with Softchoice Corporation for the supply of Microsoft M365 user licences for a three-year term at a cost of approximately \$1,339,600, excluding HST.

FINANCIAL IMPACT

The commitment value of the award to Softchoice Corporation over a three-year period is approximately \$1,339,600, excluding HST. The approximate annual costs are shown in the following table.

Microsoft M365 User License Renewal

	Quantity	Cost	2022	2023	2024	Total
M365 A5	2,500	\$ 157.76	\$ 394,400.00	\$ 394,400.00	\$ 394,400.00	\$ 1,183,200.00
M365 A1 For Devices (6 years)	2,100	49.20	103,320.00			103,320.00
O365 A1	900	-				-
SQL Server Ent Core 2 LSA	8	2,194.23	17,553.84	17,553.84	17,553.84	52,661.52
SysCtrStdCore ALNG LicSAPk MVL 2Lic CoreLic	8	17.51	140.08	140.08	140.08	420.24
			\$ 515,413.92	\$ 412,093.92	\$ 412,093.92	\$ 1,339,601.76

The 2022 costs are included in the City staff recommended 2022 operating budget for TPL. A breakdown of the licenses being acquired and their use follows:

- 2500 - M365 A5 licenses to provide TPL Staff with access to email, on-premises SharePoint, and Microsoft Office suite including Publisher and Access. The M365 A5 license also includes advanced security features identified as integral to the TPL Digital Strategy;
- 2100 - M365 A1 for Devices to provide TPL patrons with access to Microsoft Office software including Publisher and Access when accessing Public Computing workstations. These licenses have a six (6) year life span;
- 900 - O365 A1licenses (no cost) to provide volunteers with TPL email access;
- Eight licenses each for SQL Server database and System Center which are integral to imaging and remote management of laptops, desktops and the supporting database.

The Director, Finance & Treasurer has reviewed this financial impact statement and agrees with it.

ALIGNMENT WITH STRATEGIC PLAN

TPL's Strategic Plan (2020-2024) *Vital to Toronto-Building Success, Resilience and Well Being for our City* includes *broadening Toronto's digital access and inclusion* as one of five priorities. The provision of an IT infrastructure that enables access to technology for the public is a key initiative in advancing this priority. It also supports *investing in staff & an innovative service culture* to ensure that staff have the right tools to deliver exceptional customer experiences. Moreover, TPL has an overarching duty to provide technology services to the Public, whether in branches, in the community or at home. The security features incorporated within the M365 A5 licenses will also achieve the objective in the Digital Strategy to provide flexible, modern security – Zero Trust infrastructure to support on-premise and cloud applications.

EQUITY IMPACT STATEMENT

TPL's strategic plan has the City's equity lens embedded. This lens supports the understanding and addressing of barriers to TPL services by equity-deserving groups and vulnerable populations in the City of Toronto to advance equitable outcomes for all. Access to telecommunications is a requirement for daily life. A 2019 study, [*Technology Access in Public Libraries: Outcomes and Impacts for Ontario Communities*](#), highlights the importance of library technology in addressing a fundamental barrier to access and advancing digital inclusion and digital literacy for all.

DECISION HISTORY

At its meeting on January 25, 2021, the Board considered the [Digital Strategy 2020-2024](#) and approved TPL's digital strategy. Included in the goals for Priority 5 of the digital strategy, Adaptive Technology Environment, include *improving access to technology for staff and customers* and to *adopt a modern security approach to improve cybersecurity and TPL's overall security position secure*.

ISSUE BACKGROUND

Incorporated within 2019 – 2021 operating budgets, TPL has employed Softchoice through agreement OECM 2018-318-01 MA to license Microsoft user licenses based on the desktop School licensing model. TPL expenditures over this term were:

2019 :	\$ 361,972.14
2020 :	\$ 398,958.14
2021 :	\$ 398,924.86
	<hr/> <u>\$ 1,159,855.14</u>

To help meet the *improved cybersecurity* priority within the Digital Strategy, TPL looked first to add needed features (O365 Education A5 add-on; Enterprise Security E5 add-on) to the list of items included in 2019-21 purchase orders ("Current Model"). These features resulted in a net cost increase of \$259,635.00. Then, the Microsoft CSP (Cloud Service Provider) model ("Proposed") was explored and confirmed to be a more economical option to provide the software licenses.

	<u>Current Model</u>	<u>Proposed Model</u>
2022 :	\$ 672,548.88	\$ 515,413.92
2023 :	\$ 672,548.88	\$ 412,093.92
2024 :	\$ 672,548.88	\$ 412,093.92
	<hr/> <u>\$ 2,017,646.64</u>	<hr/> <u>\$ 1,339,601.76</u>

COMMENTS

The lowest cost approach to delivering Microsoft user licenses for staff and the public, while also adding the cyber security features needed to meet our improved cybersecurity priority within the Digital Strategy, is to change the licensing model to utilize Microsoft CSP pricing which results in some budget savings.

CONCLUSION

By transitioning to the Microsoft CSP licensing model, TPL will continue to meet the staff and public needs for Microsoft based desktop applications while adding the security features need to improve our cyber-security.

CONTACT

Alyssa Van Graft, Acting Director, Digital Strategy & CIO, Tel: 416-395-5541;
Email: avangraft@tpl.ca

Larry Hughsam; Director, Finance and Treasurer; Tel: 416-397-5946;
Email: lhughsam@tpl.ca

SIGNATURE

Vickery Bowles
City Librarian