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Governor



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STATE OF WASHINGTON

WASHINGTON TECHNOLOGY SOLUTIONS

*Washington's Consolidated Technology Services Agency*  
1500 Jefferson Street SE • Olympia, Washington 98504-1501

December 30, 2021

TO: The Honorable Christine Rolfes, Senate Ways & Means Committee  
The Honorable Lynda Wilson, Senate Ways & Means Committee  
The Honorable Timm Ormsby, House Appropriations Committee  
The Honorable Drew Stokesbary, House Appropriations Committee

FROM: William S. Kehoe, Director and State Chief Information Officer

A handwritten signature in blue ink that reads "William S. Kehoe".

SUBJECT: Microsoft 365 License Report

Washington Technology Solutions is pleased to inform you that it has completed its Microsoft 365 License Report, pursuant to Chapter 334, Laws of 2021 Sec. 151(a)(iii) (ESSB 5092).

The report contains a breakdown of the count and type of licenses distributed by the agency, as well as those licenses that state agencies have in addition to the licenses distributed by WaTech.

Please contact Tim Gallivan, Chief Financial Officer, at (360) 407-8215 or [tim.gallivan@watech.wa.gov](mailto:tim.gallivan@watech.wa.gov) with any questions.

Attachment

cc: Brad Hendrickson, Secretary of the Senate  
Bernard Dean, Chief Clerk, House of Representatives  
Sarian Scott, Senate Ways & Means Committee  
Jessica Van Horne, House Appropriations Committee  
Dawn Eychaner, House Appropriations Committee  
Tim Gallivan, Washington Technology Solutions  
Derek Puckett, Washington Technology Solutions

# Microsoft M365 Licensing

12/31/2021

Washington State Technology Services  
Administrative Services | Finance

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## Proviso

151.10.(10) \$23,150,000 of the consolidated technology services revolving account—state appropriation is provided solely for the procurement and distribution of Microsoft 365 licenses which must include advanced security features and cloud-based private branch exchange capabilities for state agencies. The office must report annually to fiscal committees of the legislature beginning December 31, 2021, and each December 31 thereafter, on the count and type of licenses distributed by consolidated technology services to each state agency. The report must also separately report on the count and type of Microsoft 365 licenses that state agencies have in addition to those that are distributed by consolidated technology services so that the total count, type of license, and cost is known for statewide Microsoft 365 licenses.

Link to proviso: <https://lawfilesexternal.wa.gov/biennium/2021-22/Pdf/Bills/Session%20Laws/Senate/5092-S.SL.pdf#page=114>

## Executive Summary

Consolidated Technology Services (WaTech) established a new consolidated enrollment agreement and received legislative support to procure Microsoft 365 (M365) G5 level licenses. These licenses include advanced security features and cloud-based private branch exchange capabilities for state agencies.

- In calendar year 2021, 68,566 M365 licenses were available and/or distributed at a cost of \$28.4 Million across the enterprise.
- WaTech enrollment: WaTech procured 62,124 M365 G5 level licenses to be distributed across 66 agencies under the new WaTech enrollment. The total cost in calendar year 2021 for these licenses was \$22.5 Million.
- At the time of this report, we have distributed 90% of the licenses (55,874) under WaTech's enrollment to agencies. Some agencies are still actively migrating to the shared licensing model. For example, DCFY (licensing limit 4,480) have not moved into the shared license models yet.
- There were 5 agencies that were identified as managing a M365 tenant model outside of the WaTech enrollment. These agencies are managing 12,692 licenses and paid \$5.9 million in calendar year 2021.

## Microsoft Licensing (by agency)

66 agencies as defined by SAAM 75.20 are in scope of this first annual report.

Criteria used to determine 'in scope' include:

- agencies that are subject to OCIO Policy 310,
- agencies that are members of the statewide Executive branch,
- small agencies less than 50 FTE that are supported by the WaTech Small Agency allocation
- non-educational agencies,
- agencies that identified as managing a private tenant. This report only displays Microsoft Licenses related to the Ex/Gx levels.

122 agencies as defined by SAAM 75.20 were not in this report because they did not fall under scoping criteria noted above.

- 42 of these agencies are boards and commission agencies
- 38 are educational agencies (to include colleges)
- 21 are defined as "Other" because they appear to be 'administrative' in nature
- 9 are legislative agencies
- 5 are judicial agencies

Additionally, this report only displays Microsoft Licenses related to the Ex/Gx levels. Licenses related to features outside of the Microsoft 365 G/E level services were not inventoried in this report. Example: Project Online, Visio, Power BI, Dynamics, or Azure licenses which are procured under agency enrollments.

### Licenses purchased under their agency enrollment <sup>1</sup>

<u>Agency Number</u>	<u>Agency Name</u>	<u>Enrollment</u>	<u>License Type</u>	<u>Current License Counts</u>	<u>2021 Annual Cost (including Tax)</u>
0850	Office of the Secretary of State (SEC)	Private	Microsoft E5-GCC	294	\$232,273
1000	Office of the Attorney General (ATG)	Private	Microsoft E3-GCC	1,870 <sup>2</sup>	727,975
2250	Washington State Patrol (WSP)	Private	Microsoft E5-GCC	2,418	630,107
2270	Washington State Criminal Justice Training Commission (CJT)	Private	Microsoft G5 GCC	110	56,636
4050	Department of Transportation (DOT)	Private	Microsoft G5-GCC	8,000	4,214,736
			<b>Totals</b>	<b>12,692</b>	<b>\$5,861,726</b>

### License utilization under WaTech's enrollment

<u>Agency Number</u>	<u>Agency Name</u>	<u>Enrollment</u>	<u>License Type</u>	<u>Current License Counts</u>	<u>2021 Annual Cost (including Tax)</u>
1010	Caseload Forecast Council (CFC)	WaTech	Microsoft G5-GCC	12	Included in totals
1020	Department of Financial Institutions (DFI)	WaTech	Microsoft G5-GCC	224	Included in totals
1030	Department of Commerce (COM)	WaTech	Microsoft G5-GCC	450	Included in totals
1050	Office of Financial Management (OFM)	WaTech	Microsoft G5-GCC	708	Included in totals
1070	State Health Care Authority (HCA)	WaTech	Microsoft G5-GCC	1,547	Included in totals
1100	Office of Administrative Hearings (OAH)	WaTech	Microsoft G5-GCC	286	Included in totals
1160	State Lottery Commission (LOT)	WaTech	Microsoft G5-GCC	128	Included in totals
1170	Washington State Gambling Commission (GMB)	WaTech	Microsoft G5-GCC	103	Included in totals
1180	Washington State Commission on Hispanic Affairs (CHA)	WaTech	Microsoft G5-GCC	3	Included in totals
1190	Washington State Commission on African American Affairs (CAA)	WaTech	Microsoft G5-GCC	2	Included in totals
1200	Human Rights Commission (HUM)	WaTech	Microsoft G5-GCC	32	Included in totals
1240	Department of Retirement Systems (DRS)	WaTech	Microsoft G5-GCC	271	Included in totals
1260	State Investment Board (SIB)	WaTech	Microsoft G5-GCC	123	Included in totals
1400	Department of Revenue (DOR)	WaTech	Microsoft G5-GCC	1,286	Included in totals
1420	Board of Tax Appeals (BTA)	WaTech	Microsoft G5-GCC	14	Included in totals
1600	Office of the Insurance Commissioner (INS)	WaTech	Microsoft G5-GCC	239	Included in totals
1630	Consolidated Technology Services (CTS)	WaTech	Microsoft G5-GCC	392	Included in totals
1650	State Board of Accountancy (ACB)	WaTech	Microsoft G5-GCC	12	Included in totals



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1660	Board of Registration for Professional Engineers and Land Surveyors (BRPELS)	WaTech	Microsoft G5-GCC	8	Included in totals
1790	Department of Enterprise Services (DES)	WaTech	Microsoft G5-GCC	754	Included in totals
1950	Liquor and Cannabis Board (LCB)	WaTech	Microsoft G5-GCC	354	Included in totals
2150	Utilities and Transportation Commission (UTC)	WaTech	Microsoft G5-GCC	178	Included in totals
2200	Board for Volunteer Firefighters and Reserve Officers (BVFFRO)	WaTech	Microsoft G5-GCC	In Progress (4 licenses earmarked)	Included in totals
2280	Washington Traffic Safety Commission (STS)	WaTech	Microsoft G5-GCC	24	Included in totals
2350	Department of Labor and Industries (LNI)	WaTech	Microsoft G5-GCC	3,195	Included in totals
2400	Department of Licensing (DOL)	WaTech	Microsoft G5-GCC	2,531	Included in totals
2450	Military Department (MIL)	WaTech	Microsoft G5-GCC	713	Included in totals
2750	Public Employment Relations Commission (PERC)	WaTech	Microsoft G5-GCC	29	Included in totals
3000	Department of Social and Health Services (DSHS)	WaTech	Microsoft G5-GCC	16,812	Included in totals
3030	Department of Health (DOH)	WaTech	Microsoft G5-GCC	3,445	Included in totals
3050	Department of Veterans' Affairs (DVA)	WaTech	Microsoft G5-GCC	1,058	Included in totals
3070	Department of Children, Youth, and Families (DCYF)	WaTech	Microsoft G5-GCC	In progress (4,480 licenses earmarked)	Included in totals
3100	Department of Corrections (DOC)	WaTech	Microsoft G5-GCC	8,922	Included in totals
3150	Department of Services for the Blind (DSB)	WaTech	Microsoft G5-GCC	104	Included in totals
3400	Student Achievement Council (SAC)	WaTech	Microsoft G5-GCC	106	Included in totals

<u>Agency Number</u>	<u>Agency Name</u>	<u>Enrollment</u>	<u>License Type</u>	<u>Current License Counts</u>	<u>2021 Annual Cost (including Tax)</u>
3410	Law Enforcement Officers' and Fire Fighters' Plan 2 Retirement Board (LEOFF)	WaTech	Microsoft G5-GCC	8	Included in totals
3540	Workforce Training and Education Coordinating Board (WFTECB)	WaTech	Microsoft G5-GCC	25	Included in totals
3550	Department of Archaeology and Historic Preservation (DAHP)	WaTech	Microsoft G5-GCC	22	Included in totals
3870	Washington State Arts Commission (ART)	WaTech	Microsoft G5-GCC	25	Included in totals
4060	County Road Administration Board (CRAB)	WaTech	Microsoft G5-GCC	15	Included in totals
4070	Transportation Improvement Board (TIB)	WaTech	Microsoft G5-GCC	10	Included in totals
4610	Department of Ecology (ECY)	WaTech	Microsoft G5-GCC	1,675	Included in totals
4620	Washington Pollution Liability Insurance Program (PLI)	WaTech	Microsoft G5-GCC	21	Included in totals
4650	State Parks and Recreation Commission (PARKS)	WaTech	Microsoft G5-GCC	733	Included in totals
4670	Recreation and Conservation Funding Board (RCFB)	WaTech	Microsoft G5-GCC	68	Included in totals
4680	Environmental and Land Use Hearings Office (ELUHO)	WaTech	Microsoft G5-GCC	19	Included in totals
4770	Department of Fish and Wildlife (DFW)	WaTech	Microsoft G5-GCC	2,380	Included in totals
4780	Puget Sound Partnership (PSP)	WaTech	Microsoft G5-GCC	62	Included in totals
4900	Department of Natural Resources (DNR)	WaTech	Microsoft G5-GCC	1,766	Included in totals
4950	Department of Agriculture (AGR)	WaTech	Microsoft G5-GCC	975	Included in totals
5400	Employment Security Department (ES)	WaTech	Microsoft G5-GCC	3,401	Included in totals
9440	Washington State School Directors' Association (SDA)	WaTech	Microsoft G5-GCC	23	Included in totals
0570	Office of Civil Legal Aid (OCLA)	WaTech	Microsoft G5-GCC	6	Included in totals



<u>Agency Number</u>	<u>Agency Name</u>	<u>Enrollment</u>	<u>License Type</u>	<u>Current License Counts</u>	<u>2021 Annual Cost (including Tax)</u>
0820	Public Disclosure Commission (PDC)	WaTech	Microsoft G5-GCC	34	Included in totals
0860	Governor's Office of Indian Affairs (INA)	WaTech	Microsoft G5-GCC	2	Included in totals
0870	Washington State Commission on Asian Pacific American Affairs (APA)	WaTech	Microsoft G5-GCC	3	Included in totals
0900	Office of the State Treasurer (OST)	WaTech	Microsoft G5-GCC	63	Included in totals
0950	Office of the State Auditor (SAO)	WaTech	Microsoft G5-GCC	442	Included in totals
0990	Washington Citizens' Commission on Salaries for Elected Officials (COS)	WaTech	Microsoft G5-GCC	2	Included in totals
X06	Washington State Fire Commissioners Association	WaTech	Microsoft G5-GCC	6	Included in totals
X1E00	WA State Institute for Public Policy	WaTech	Microsoft G5-GCC	23	Included in totals
			<b>Totals</b>	<b>55,874</b>	<b>\$22,462,395</b>

<sup>1</sup> Agencies in this table are defined as having a "Private" enrollment. These agencies procure and manage the licensing in the enrollment on their own.

<sup>2</sup> The Attorney General's Office (ATG) reported they are utilizing E3 GCC licensing with advanced security feature additions