

**MILWAUKEE COUNTY FISCAL NOTE FORM****DATE:** September 17, 2021Original Fiscal Note Substitute Fiscal Note **SUBJECT:** Microsoft Enterprise Agreement**FISCAL EFFECT:**

- No Direct County Fiscal Impact
- Existing Staff Time Required
- Increase Operating Expenditures  
(If checked, check one of two boxes below)
- Absorbed Within Agency's Budget
- Not Absorbed Within Agency's Budget
- Decrease Operating Expenditures
- Increase Operating Revenues
- Decrease Operating Revenues
- Increase Capital Expenditures
- Decrease Capital Expenditures
- Increase Capital Revenues
- Decrease Capital Revenues
- Use of contingent funds

*Indicate below the dollar change from budget for any submission that is projected to result in increased/decreased expenditures or revenues in the current year.*

	<b>Expenditure or Revenue Category</b>	<b>Current Year (7/1/2021 – 6/30/2022)</b>	<b>Subsequent Years (7/1/2022 – 6/30/2024)</b>
<b>Operating Budget</b>	Expenditure	(102,404.21)	(142,744.84)
	Revenue	0.00	0.00
	Net Cost	(102,404.21)	(142,744.84)
<b>Capital Improvement Budget</b>	Expenditure		
	Revenue		
	Net Cost		

## DESCRIPTION OF FISCAL EFFECT

In the space below, you must provide the following information. Attach additional pages if necessary.

**A. Briefly describe the nature of the action that is being requested or proposed, and the new or changed conditions that would occur if the request or proposal were adopted.**

*The approval of the requested action will allow Milwaukee County to execute a three-year Enterprise Agreement for total fees not to exceed \$3,796,420.96 with Microsoft Corporation through its Large Account Reseller, Crayon Software Experts, LLC. This contract will allow Milwaukee County users and information technology systems to continue using Microsoft products for the daily business operations of the County*

**B. State the direct costs, savings or anticipated revenues associated with the requested or proposed action in the current budget year and how those were calculated.<sup>1</sup> If annualized or subsequent year fiscal impacts are substantially different from current year impacts, then those shall be stated as well. In addition, cite any one-time costs associated with the action, the source of any new or additional revenues (e.g. State, Federal, user fee or private donation), the use of contingent funds, and/or the use of budgeted appropriations due to surpluses or change in purpose required to fund the requested action.**

*The overall cost under this three-year Microsoft Enterprise Agreement will be \$3,796,420.96. The total fees expected to be approximately as follows:*

- 1. 2021 - (7/1/2021 – 6/30/2022) - \$1,244,795.79*
- 2. 2022 - (7/1/2022 – 6/30/2023) - \$1,275,812.58*
- 3. 2023 - (7/1/2023 – 6/30/2024) - \$1,275,812.58*

*DAS-IMSD has negotiated the license fees for the all Microsoft products under this Enterprise Agreement with Crayon and Microsoft. As a result of these negotiations, Milwaukee County is saving \$245,179.05 (compared to the amount originally quoted by Crayon) over the three (3) year term of this contract.*

*This total amount of \$3,796,420.96 is expected to be paid from the DAS-IMSD operating budget for the Fiscal Years 2021 – 2023.*

**C. Discuss the budgetary impacts associated with the proposed action in the current year. A statement that sufficient funds are budgeted should be justified with information regarding the amount of budgeted appropriations in the relevant account and whether that amount is sufficient to offset the cost of the requested action. If relevant, discussion of budgetary impacts in subsequent years also shall be discussed. Subsequent year fiscal impacts shall be noted for the entire period in which the requested or proposed action would be implemented when it is reasonable to do so (i.e. a five-year lease agreement shall specify the costs/savings for each of the five years in question). Otherwise, impacts associated with the existing and subsequent budget years should be cited.**

*DAS-IMSD, low org 1173, has \$1,347,200 to pay for Year 1 fees under this Enterprise Agreement in its Fiscal Year 2021 operating budget. These funds are sufficient to fully pay year 1 fees under the Enterprise Agreement.*

*This Enterprise Agreement provides an excellent pricing, simplified licensing management, and flexibility needed to meet the day-to-day technology needs for Milwaukee County.*

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<sup>1</sup> If it is assumed that there is no fiscal impact associated with the requested action, then an explanatory statement that justifies that conclusion shall be provided. If precise impacts cannot be calculated, then an estimate or range should be provided.

- D. Describe any assumptions or interpretations that were utilized to provide the information on this form.

*The only assumption or interpretations used by DAS-IMSD is for license quantities of the software products to be licensed under the Microsoft Enterprise Agreement based on Milwaukee County's historical data on usage and identified needs of these products by existing users and information technology systems; expansion, added services and advanced technical needs, for new technology projects by various County departments and divisions.*

**Department:** DAS-IMSD  
**Prepared By:** Matt Johnson

**Authorized Signature:** *Lynn J. Fyfe*

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Did DAS-Fiscal Staff Review?  Yes  No  
Did CDPB Staff Review?  Yes  No  Not Required