

ARMY CIO/G-6 SENDS:

SUBJECT:ALARACT - Microsoft ELA II No-Count Mitigation Tasker

REF A: Microsoft Enterprise License Agreement II (MS ELA II)

(U//FOUO) 1. BACKGROUND AND INTRODUCTION INFO: On 30JUN2009, the Army awarded a new \$583M contract to Softmart Government Services for Microsoft software, also known as Microsoft Enterprise License Agreement II (MS ELA II). The contract covers the total Army, including: HQDA, ACOMs, ASCCs, ARNG, USAR, DRUs, military, civilian and contractor personnel, and joint organizations for which the Army is the executive agent, hereafter referred to as "MS ELA II participating organizations." The agreement contains a no-count provision for a limited set of high-use products for which the Army pays a set annual Software Assurance (SA) fee for specific baseline quantities but has rights to unlimited usage during the base period of the contract, which ends 31OCT2011. The no-count products include: Enhanced Desktop License (Windows OS and Core CAL), Project Professional, Visio Professional, Exchange Server Enterprise, Windows Server Enterprise, Windows Server Standard, SQL Server Enterprise, SQL Server Standard, Office SharePoint Server. Each MS ELA II participating organization's allotment will be provided via email to the respective organization's designated POC.

(U//FOUO) \*Microsoft Office is not a no-count license and does not have SA under MS ELA II. The Army owns 800,000 copies of Office Professional 2007. Each MS ELA II participating organization's allotment of Office Professional 2007 will be included in each organizations allotment report.

(U//FOUO) 2. REGULATORY AND POLICY INFORMATION: Prior to 31OCT2011, the Army will be required to audit its usage of no-count products. Licenses in use exceeding the baseline quantities will either have to be paid for or uninstalled. The baseline quantities for most of the products were roughly equal to the quantity owned by the Army at the end of MS ELA I. Therefore, any new software licenses organizations obtained from the local Network Enterprise Center (NEC) since the end of the MS ELA I contract on 30MAY2009, through 31OCT2011, will likely require payment (or must be uninstalled) by the acquiring organization between 31OCT2011 and 30NOV2011. Going forward, automatic notification, with required acknowledgement, of the potential bill will be made at the time an order is placed and approved if it exceeds the ACOM's license allotment. ACOM POCs will also have the ability to run reports at their convenience to view license utilization and potential costs.

(U//FOUO) 3. EXECUTION: WHAT IS TO BE DONE

A. Effective immediately, all new requirements for any of the no-count products will require the entry of a tracking order into the Software License Management System (SLMS) website. Also, in order to provide an updated inventory, each MS ELA II participating organization will have 60 days to re-inventory its deployed quantities of all no-count licenses (those obtained via an official order against the MS ELA I contract plus those obtained from the NEC since the end of the MS ELA I to present time), and then to enter tracking orders for these quantities into the SLMS website. The intent is to create a complete inventory of all no-count type licenses in use by each MS ELA II participating organization. There will be no costs

associated with the tracking orders at this time; however, at the end of the contract base period, the number of no-count licenses in use by each MS ELA II participating organization and the Army will be reconciled with the MS ELA II participating organization's license entitlements and contract baseline quantities. No-count licenses in use exceeding an MS ELA II participating organization's entitlements and/or contract baseline amounts will either have to be uninstalled or paid for.

B. For planning and budgeting purposes, each MS ELA II participating organization will receive a baseline allotment of the Army-funded no-count licenses. The allotment will indicate the quantity and version of each of the no-count products with and without SA. Only those licenses with SA have upgrade rights; licenses without SA may be used but do not have upgrade rights. Each MS ELA II participating organization's allotment will be equal to or higher than the quantity owned at the end of MS ELA I.

(U//FOUO) 4. WAY AHEAD (INCLUDES EXPIRATION DATE):

A. MS ELA II participating organizations will receive their respective baseline allotments for validation. The suspense for validation is 18OCT2010. Concur or non-concur responses are to be emailed to [NETCOM-MSUpdates@conus.army.mil](mailto:NETCOM-MSUpdates@conus.army.mil). Any corrections are to be entered into the spreadsheet in red font.

B. MS ELA II participating organizations will have 60 days to re-inventory their deployed no-count licenses and enter tracking orders for each license, enabling the Army to reconcile the number of licenses in use with contract baseline quantities. The suspense for this action is 3DEC2010.

C. When counting quantities for the desktop/server licenses, please use the following licensing rules for virtualized servers and mobile devices dedicated to a desktop user. Microsoft SQL Server 2008 Enterprise (per processor): Once you order licenses equal to the number of physical processors on a physical server, you may run any number of SQL instances on the physical server and any number of SQL instances on virtual servers running on the same physical server. Microsoft Windows Server 2008 Enterprise: For each license you order, you may run up to four Windows instances on virtual servers on a physical server, and one instance on the physical server solely to run hardware virtualization software, to provide hardware virtualization services or to run software to manage and service virtual servers on the licensed physical server. Microsoft Office/Project/Visio: You may install one copy on one portable device dedicated to use by the single user of the licensed desktop.

D. To better assist the Army with future contract negotiations, we are considering a follow-on action to determine product versions currently in use. This information would be used to assess the value of procuring SA in the future as opposed to procuring new licenses. Further guidance for this potential action will be released at a later date.

(U//FOUO) 5. POC INFO: The POCs for this action are: Ms. Audra Hutchison, CIO/G-6/IRI, 703-602-3213, [audra.hutchison@us.army.mil](mailto:audra.hutchison@us.army.mil); and Ms. Dawn Bare, CHESS, 703-806-3041, [dawn.bare@us.army.mil](mailto:dawn.bare@us.army.mil).