



County of Santa Cruz Board of Supervisors

Agenda Item Submittal

From: Information Services Dept.

Subject: Approve three-year Microsoft Enterprise Agreement with Crayon Software Experts, LLC

Meeting Date: June 24, 2025

Formal Title: Approve three-year Microsoft Enterprise Agreement with Crayon Software Experts, LLC in the amount of \$3,211,947.06 for countywide software licensing, and take related actions

Recommended Actions

1. Approve agreement with Crayon Software Experts, LLC in the amount of \$3,211,947.06 for Countywide software licensing; and
2. Authorize the Director of Information Services or designee to sign the agreement.

Executive Summary

The Information Services Department requests approval to renew the County's Microsoft Enterprise Agreement through Crayon Software Experts, LLC. This agreement provides essential Microsoft licensing and services for County operations and is secured under a competitively negotiated contract that offers significant public-sector discounts to California counties.

Discussion

The Microsoft Enterprise Agreement (EA) is a volume licensing program designed for large organizations, including county governments, to acquire Microsoft software and services under a single, three-year agreement. The EA simplifies license management, standardizes software use across departments, and provides benefits such as software updates, technical support, and training. It also supports budgeting predictability, reduces compliance risks, and enables scalability of cloud-based services like Microsoft 365 and Azure.

The Information Services Department is renewing the County's EA with Crayon Software Experts, LLC, a Microsoft affiliate, under the Riverside Agreement. This agreement was competitively negotiated by Riverside County and made available to other California counties, offering substantial cost savings on Microsoft licensing for products such as Office 365 and server-based software.

Financial Impact

The total cost of the agreement is \$3,211,947.06 over three years, with \$1,070,649.02 due in FY 2025-26. Budget appropriations are available in the ISD-Desktop Support budget (GL Key 424400/74234 and 74424). While there is no direct impact to the General Fund, the internal service fund for ISD recovers this cost through charges for services to all County Departments, including General Fund departments.

Strategic Initiatives

Equity Framework - County Facilities & Infrastructure
Operational Plan - Operational Excellence

Submitted By:

Tammie Weigl, Director of Information Services

Recommended By:

Carlos J. Palacios, County Executive Officer

Artificial Intelligence Acknowledgment:

OpenAI ChatGPT 4.o, an Artificial Intelligence (AI) large language model tool, significantly contributed to the development of this agenda item, including Staff Report, in compliance with the County of Santa Cruz AI Appropriate Use Policy.