

PRESS RELEASE

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THE OFFICE OF
ENTERPRISE TECHNOLOGY
STATE OF MINNESOTA

CONTACT:

Cathy de Moll, Director of Communications
651-556-8002
Cathy.de.moll@state.mn.us

658 Cedar Street
Saint Paul, MN 55105
www.oet.state.mn.us

Minnesota Signs First Enterprise Software Agreement

Innovative agreement will save millions of dollars, streamline government operations, and help improve services for citizens

St Paul, MN – A new technology agreement with Microsoft Corp. will increase productivity and functionality for state agencies, help to modernize government services for Minnesotans, and avoid more than \$14 million in total software licensing fees. Minnesota’s Chief Information Officer and head of the Office of Enterprise Technology (OET), Gopal Khanna, announced today that the agreement is a first for Minnesota and one of the largest enterprise agreements any state has ever signed with Microsoft.

“We are reforming the way the state purchases goods and services so we can increase quality and reduce costs in government,” said Khanna. “The agreement will establish uniform software standards and bring new collaboration technologies online, while pooling the purchasing power of the entire executive branch.”

Before entering into the agreement, Minnesota’s OET examined the existing costs involved in maintenance and interoperability of existing systems and the increases necessary to maintain an outdated system. By bulk purchasing the licenses for the executive branch agencies, 32,000 software users will now be covered for the price the state paid to license 10,000 users under a previous contract. OET estimates that the executive branch will avoid a total of \$2.37 million in costs each year of the initial six year contract.

“This innovative and comprehensive agreement with Microsoft will enable state government to provide a high level of service in the most efficient manner possible,” said Khanna. “This agreement will give Minnesota the most complete range of tools to efficiently and effectively deliver government services.”

“Minnesota is leading the way to streamlined state government,” said Gail Thomas-Flynn, General Manager of State and Local Government at Microsoft. “In an economy where every penny matters, Minnesota has chosen a flexible path that not only saves taxpayer dollars but simultaneously takes the state to the next level of great service delivery.”

Beyond reducing future software and operations costs, the new agreement will also eliminate mismatched versions of commonly used software programs and end executive branch compatibility difficulties that had previously existed. And now, using automated processes delivered by Microsoft’s System Center tools, Minnesota will also be able to aggregate knowledge about infrastructure, configuration, and policies to further reduce costs and enhance service delivery.

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“While achieving this degree of software compliance and compatibility is rare in the public sector, it is part of OET’s mission to bring a renewed focus to information technology reform in state government,” said Khanna. “It is also a credit to every department and agency that helped make this agreement a reality.”

The Office of Enterprise Technology (OET) is a state agency that sets IT policies and standards for state government, and provides key core IT services to the State of Minnesota, including data center operations, mainframe computing and network services. Enterprise licensing is an activity within OET’s IT Products and Standards Program that assists state agencies in purchasing technology through rigorous information technology standards. In addition to the new Microsoft software licensing agreement, the program has set standards on desktop and laptop computers and monitors, cell phones and service plans, computer storage and routers and multi-function (printer/copier/scanner/fax) devices to help state agencies and local governments avoid costs, simplify, improve and “green” their IT environments.

“It is important to look for every opportunity to reduce costs in our current environment so we can invest in the future,” said Khanna. “Our standardization and enterprise agreement activity not only improves government efficiency and avoid costs immediately, it ultimately allows policy makers to invest in securing and modernizing the state’s digital infrastructure.”

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