Changes to Cost Recovery Model for Microsoft Assessment

This year, due to changes in the payment model for Microsoft Products, some changes are needed in how the assessments are done. Traditionally, departments have been assessed back, based on FTE count, for the basic package of the Campus Agreement Desktop with CoreCAL, along with a student CoreCAL package. Individual departments uplifting to the EnterpriseCAL (ECAL) have done that through the Office of the CIO.

Due to a change in the licensing this year, continuing to do ECAL uplift through OCIO is not an option: all uplifts must be on the same PO that is sent to our reseller. This change was revealed in the second week of June, and this document seeks to clarify the costs and purchase, and to make a recommendation on how to pay for and charge back for this license.

Recommendation

The simplest resolution appears to be to charge departments back based on what they are currently using. Departments that are not uplifted would be charged back based on their Faculty, Staff, and Student FTE counts, as they always have been. Departments that have elected to uplift would also be charged the difference. The PO would still be cut in the way it has been in years past, and Site Licensing would work closely to ensure that those who were uplifted are charged appropriately, and those who were not uplifted are not charged for something they did not purchase.

Cost Comparison, FY10 and FY11, per product

Item	FY10 Cost	FY11 Cost
Campus Agreement Desktop Suite w/CoreCAL (Fac/Staff Package)	$38.38	$38.45
Campus Agreement Desktop Suite w/ECAL (Fac/Staff Package)	$46.53	$44.16
CoreCAL (Student Package)	$1.66	$1.55

Total Cost comparison, FY10 and FY11, entire institution

FTE count FY10:	FTE count FY11:
• 21,939 Fac/Staff FTE 　○ 10,249 Fac/Staff ECAL (46.7% Uplift) • 52,084 Student FTE • **Total FTE:** 74,023 **Total Cost FY10:** $1,012,233.36	• 22,542 Fac/Staff FTE 　○ 11,303 Fac/Staff ECAL (50.1% Uplift) • 53,650 Student FTE • **Total FTE:** 76,193 **Total cost FY11:** $1,014,443.24

Cost difference to support an additional 2,170 FTE's in FY11: **$2,209**

Pricing Difference Explanation

This year's contract will be slightly more expensive than last year's contract, but these changes are not significant to all departments. This is a result of two changes to the pricing:

1) Increased number of departments uplifting to ECAL. Departments uplifting to ECAL, particularly those continuing an uplift, are seeing large savings over our previous contract.
2) Increased FTE count. Ohio State has grown as a University in the past year, adding over 2,000 new FTE's in Faculty, Staff, and Student roles.

Specific Departmental Savings

Individual departmental savings for ECAL uplift is particularly illustrative of cost savings. Based on this year's FTE counts, departments are saving a great deal over last year's pricing. For examples:

Savings by College/Unit over last year's cost

Department	Savings over FY10 Pricing
OSUMC and College of Medicine	$22,096.22
College of Business	$753.42
College of Human Ecology and Education	$1,412.99
College of Law	$355.50

Impact on Individual Departmental Budgets

With over 50% of the University uplifted to ECAL, most departments will see a savings over what they would have paid last year. Some departments will see somewhat higher costs, most averaging between $10 and $30 if their FTE count has not changed in the past year. A large college, like Humanities, might expect to see a $50 increase as a result of the price increase from last year for the Faculty/Staff CoreCAL package, if their FTE count remains unchanged.