



STAFF REPORT ACTION REQUIRED

Use of the Province of Ontario's Volume License Agreement for Procurement of Adobe Licenses

Date:	February 5, 2016
To:	Government Management Committee
From:	Chief Information Officer, Information & Technology Division and Director, Purchasing and Materials Management Division
Wards:	All
Reference Number:	P:\2016\Internal Services\I&T\Gm16002I&T (AFS #22660)

SUMMARY

The purpose of this report is to seek authority to enter into an Agreement with the Minister of Government Services (MGS), to utilize their Volume License Software Agreement (Agreement # 4400448628) with Adobe Systems Incorporated (Adobe), to facilitate the procurement of Adobe Commercial-off-the-Shelf (COTS) software. The Adobe suite of software is used by City staff to support a variety of functions such as PDF conversion, graphic design and e-learning.

The benefits of utilizing the Volume License Agreement (VLA) include access to the same software licence and related terms and conditions that are more favourable than Adobe's standard software licence agreements, and in addition, which provide greater discounts on Adobe list prices from various authorized resellers. After entering into the VLA, an RFQ will be issued to select a single reseller. Additionally, there is a significant internal cost savings in terms of internal resource allocation as City Staff will not need to negotiate a separate legal agreement.

RECOMMENDATIONS

The Chief Information Officer and the Director of Purchasing and Materials Management recommend that:

1. City Council authorize the Chief Information Officer to negotiate and enter into an Agreement with the Adobe Systems Inc. to utilize the Volume License Agreement #4400448628 on terms and conditions satisfactory to the Chief Information Officer and in a form satisfactory to the City Solicitor.

FINANCIAL IMPACT

There is no financial impact as a result of this report.

The City's average, annual spend on Adobe products during the past five years has been approximately \$189,000.

Funding for these purchases are included in the various divisional operating budgets. Financial authority for the RFQ award will be sought independently of this Staff Report.

The Deputy City Manager & Chief Financial Officer has reviewed this report and agrees with the financial impact information.

ISSUE BACKGROUND

The Minister of Government Services (MGS) administers volume software licensing for commonly used software products and related software support services.

Use of the MGS Volume License Agreement has been made available on an optional basis to Provincially Funded Organizations such as municipalities. The City of Toronto can take advantage of the Adobe VLA without the need for significant negotiation of additional terms and conditions by executing an Adoption Agreement with Adobe, and by conducting a competitive process to Adobe's authorized fulfillment agents. The Adobe VLA has been effective since May 1, 2015 and expires April 30, 2018, with the option to renew for two (2) consecutive one (1) year terms. The rates for Adobe products are subject to discounts and enterprise wide pricing for the term of the agreement. Upon entering into the VLA, City Staff will issue an RFQ to the resellers named in the agreement to obtain firm pricing and the discount rate.

COMMENTS

In order to provide the City with competitive prices for the supply and delivery of various Adobe commercial off-the-shelf software, it is recommended that the City utilize the Province of Ontario's MGS Volume License Agreement with Adobe and secure a fulfillment agent through a competitive process.

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