



Wes Moore, Governor · Aruna Miller, Lt. Governor · Atif Chaudhry, Secretary

Intergovernmental Cooperative Purchasing Agreement
Procurement Officer Determination
COMAR 21.05.09.04

Per COMAR 21.05.09.02, as a Primary Procurement Unit, the Department of General Services (DGS) Office of State Procurement (OSP) may initially sponsor or participate in, renew, modify, or administer an Intergovernmental Cooperative Purchasing Agreement (ICPA) on its own behalf or on behalf of another agency when a determination is made under SFP §13-110 and COMAR 21.05.09.04.

In accordance with State Procurement Regulations COMAR 21.05.09.04, the DGS OSP Procurement Officer, has determined that it is in the best interest of the State procure new Microsoft licensing contracts via OMNIA Partners' Master Agreement No's. 2024056-01 which was awarded to CDW Government (CDW-G) and 2024056-02 which was awarded to SHI International Corporation.

This new term will carry a base term of three (3) years and three (3) months (from April 3, 2025 through July 1, 2028), with three (3), two (2) year optional renewals.

OMNIA's Master Contract was competitively solicited and publicly awarded by the City of Mesa, Arizona as the lead jurisdiction, using a competitive solicitation process consistent with applicable procurement laws and regulations. By continuing to use the OMNIA Master Contract, DGS-OSP will leverage the nation's largest and most experienced cooperative purchasing organization for the public sector. DGS-OSP will manage the contract with SHI and CDW-G on behalf of all State agencies. Also, like the prior agreement, the contract shall be administered via a Work Order process which will allow each agency to tailor a specific Statement of Work (SOW) for each task or product.

The resulting services from this ICPA would allow States to have a statewide master agreement to purchase Microsoft Licensing Packages. It will streamline the procurement process and maximize cost avoidance to the State agencies. Through the City of Mesa, with overall project oversight from OMNIA Partners, eleven (11) proposals were received and evaluated by an evaluation committee, using the evaluation criteria set forth in the RFP. SHI and CDW-G were both awarded OMNIA contracts based on the strengths of their respective proposals, including advantageous pricing.

While there are other contract vehicles that the State could have leveraged from such as the NASPO ValuePoint and ViTA master contract, both of those contract vehicles presented a cost-plus-a-percentage-of cost model which is not advantageous to the State. Including the Pace contract vehicle, which is recommended for K-12, the OMNIA Partners' contract vehicle presented the

most advantageous pricing model to include a national pricing discount off of a verifiable price list by the manufacturer.

Microsoft licensing is currently being used by State agencies; therefore, it is crucial that DGS-OSP maintain a statewide contract to avoid any interruption in services. This purchasing agreement provides the State of Maryland with cost benefits, and a variety of technology solutions already detailed above. Both CDW-G and SHI offer a discount off a verifiable price list by the manufacturer. CDW-G's Pricing Proposal to the State provides a 14.25% discount off the Estimated Retail Price for On-Premises Products (Perpetual Licenses and Software Assurance) and a 16.5% discount on the Estimated Retail Price on Cloud (Monthly Subscriptions). As Microsoft is transitioning to standardize percentage discount across all products, beginning July 1st, 2025 CDW-G will provide a 4% discount on all Microsoft products. SHI's Pricing Proposal to the State provides an 18.25% discount from the Estimated Retail Price on Cloud (Monthly Subscriptions) and a 16.25% discount off of the Estimated Retail Price of On-Premises Products (Perpetual Licenses and Software Assurance). This model presents the most aggressive pricing that SHI can offer based on how Microsoft prices out its products and takes into consideration both current agency needs, as well as future growth.

In order to determine a price comparison, I reviewed multiple line items of CDW-G's Microsoft January 2025 12-month pricing list (specifically its contract price and estimated retail price) with CDW-G's pricing available under its Contract No. 121923-CDW with Sourcewell. After reviewing thousands of line items, I located two (2) for the same requested software offered by CDW-G. CDW-G's prices for Microsoft SQL under its Sourcewell contract and its estimated retail price list are \$869.40 and \$794.41, respectively, for a difference of \$119.99. Additionally, CDW-G's prices for the Microsoft System Center under its Sourcewell contract and its estimated retail price list are \$524.59 and \$479.46, respectively, for a difference of \$45.13. CDW-G's price is lower in both instances. As a result, CDW-G's price has been determined to be fair and reasonable, and to provide cost benefits to the State.

Similarly, after reviewing thousands of line items, I also located two (2) for the same requested software offered by SHI under both contracts. SHI's prices for the D365 P1 BA Additional Social Post GCC Sub Add-on 10k monthly subscription under the SOM contract and GSA list are \$110.00 and \$125.08, respectively, for a difference of \$15.08. Additionally, SHI's prices for the Office Professional Plus ALng LSA Platform monthly subscription under the SOM contract and GSA list are \$237.00 and \$564.33, respectively, for a difference of \$327.33. SHI's price is lower in both instances. As a result, SHI's price has also been determined to be fair and reasonable, and to provide cost benefits to the State.

I also reviewed multiple line items of both CDW-G's and SHI's State of Maryland (SOM) Microsoft January 2025 Pricing list (specifically its contract price and estimated retail price) with SHI's pricing available on the General Services Administration's (GSA), Federal Supply Service Authorized Federal Supply Schedule Price List, multiple award schedule. I located two (2) for the same requested software offered by CDW-G and SHI under both contracts.

SHI's prices for the D365 P1 BA Additional Social Post GCC Sub Add-on 10k monthly subscription under the State of Maryland contract and GSA list are \$110.00 and \$125.08, respectively, for a difference of \$15.08. Additionally, SHI's prices for the Office Professional Plus ALng LSA Platform monthly subscription under the SOM contract and GSA list are \$237.00 and \$564.33, respectively, for a difference of \$327.33. SHI's price is lower in both instances. As a result, the price has been determined to be fair and

reasonable. Overall, the State cannot match OMNIA's economies of scale, and better pricing cannot be obtained.

Based on this independent analysis, I have determined that it is in the best interest of the State of Maryland to participate in this intergovernmental cooperative purchasing agreement and issue an Indefinite Quantity, Indefinite Delivery contract to CDW-G and SHI via OMNIA's cooperative purchasing contract, and that doing so will provide cost benefits to the State of Maryland, promote administrative efficiencies as well as increase intergovernmental cooperation. This determination is not intended to evade the purposes set forth under COMAR 21.01.01.03 and I request the approval of the primary procurement unit head per COMAR 21.05.09.05.

SIGNATURES ON NEXT PAGE

Maureen Loiseau


03/14/2025

Maureen Loiseau, Procurement Officer, DGS OSP / Date

Yasin Mohammed

03/14/2025

Yasin Mohammed, Director of Procurement Operations / Date


[Linda Dangerfield \(Mar 14, 2025 09:11 EDT\)](#)

03/14/2025

Linda Dangerfield, Deputy Chief Procurement Officer / Date

Atif Chaudhry

03/17/2025

Atif Chaudhry, Secretary, DGS / Date

DGS OSP ICPA POD for CDW and SHI











Microsoft licensing


Final Audit Report

2025-03-17

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