

PRESS RELEASE

For Immediate Release: September 27, 2010



THE OFFICE OF
ENTERPRISE TECHNOLOGY
STATE OF MINNESOTA

CONTACT:

Taylor Joseph, State of Minnesota, OET
651-201-1062
Taylor.joseph@state.mn.us

Jared Adams, Microsoft
703-980-9535
adams@merrittgrp.com

State of Minnesota Signs Historic Cloud Computing Agreement with Microsoft

St. Paul, MN—In an effort to deliver technology services as efficiently and cost-effectively as possible, the State of Minnesota’s Office of Enterprise Technology (OET) signed a groundbreaking enterprise-wide service agreement with Microsoft last week. The agreement calls for the State’s Enterprise Unified Communications and Collaborations services to be delivered through Microsoft’s Business Productivity Online Suite (BPOS). The move makes Minnesota the first U.S. state to move to a large collaboration and communication suite in a private cloud environment.

“As states battle growing deficits, they are continually being asked to do more with less,” said Gopal Khanna, Minnesota’s State Chief Information Officer. “Rethinking the way we manage our digital infrastructure centrally, to save locally across all units of government, is a crucial part of the solution. The private sector has utilized technological advancements like cloud computing to realize operational efficiencies for some time now. Government must follow suit.”

Partnering with Microsoft allows the State to manage and deliver key business applications locally, but house them remotely in a world-class facility. “The combination immediately improves our security and cuts our costs,” Khanna added, “making it possible for a digital infrastructure that can transform government into a 24/7 operation – even in hard times.”

“Minnesota is leading the way by looking holistically at the broad productivity opportunities and cost savings afforded by moving to the cloud with Microsoft,” said Gail Thomas-Flynn, Vice President of State and Local Government at Microsoft. “Governments small and large are looking to us to help bring security, privacy, and scalability to their IT consolidation choices. Because shrinking budgets and increased expectations are both realities, states are wise to explore how a move to the cloud makes long term strategic and business sense.”

The scope of this new and innovative Unified Communications and Collaboration service delivery agreement encompasses all executive branch agencies, but other Office of Enterprise Technology customers, including local governments, cities, counties and educational entities, can choose to take part in the agreement as well.

“We currently consume cloud-based services for key financial business applications,” said Marilyn McCarter, CIO of Scott County, Minnesota. “This agreement creates a tremendous potential opportunity for counties.”

The historic partnership allows the State to add exciting new features, functionality and security to its service offerings by combining basic business productivity applications in a unified package and by taking advantage of the aggregated demand of all state agencies. Email, instant messaging, web-based collaboration and conferencing are all included in the agreement and will be provided through Microsoft’s online hosting at significantly lower rates than the State can currently offer.

PRESS RELEASE

Continued



The move will greatly reduce redundancy and save the State of Minnesota millions in upgrade investments and ongoing costs.

To ensure the privacy of state government data, BPOS applications for the State of Minnesota will be housed in a dedicated Microsoft environment and delivered online through a direct connection to Minnesota's secure network. "In fact," says Khanna, "the superior architecture of the applications and the state-of-the-art physical security of Microsoft's facility increases data security several fold, providing an instant upgrade to the State's security profile."

"The agreement keeps the service management of our critical communications tools in State hands but leaves the costly application management to Microsoft's experts. This strategic sourcing opportunity allows for a paradigm shift in how critical business collaboration services are rendered to our customers," said Tarek Tomes, OET Assistant Commissioner for customer and service management. "The conversion to a hosted service allows us to meet critical business needs related to capacity, modernization and agility in the most efficient and effective manner."

OET is working closely with Microsoft to ensure a successful migration to BPOS. The goal is to create as little impact to the user as possible, but users will notice dramatically increased email capacity (from 100 MB to 5GB per user) and increased collaborative functionality, making it easier to move seamlessly between email, SharePoint, Instant Messaging and conferencing.

"I am very proud that the State of Minnesota is the first major government entity to adopt online hosting for its communications and collaborations applications," said Khanna. "It is this kind of innovation that is going to allow our state to deliver government services effectively in the 21st century."

###