

Microsoft School Agreement

A new licensing program for primary and secondary education

Frequently Asked Questions (FAQ) for Channel Partners

Table of Contents

Program Details

1. What is School Agreement?
2. Can you explain the program in more detail?
3. What is an eligible machine?
4. Is there a minimum eligible machine count in order to participate in School Agreement?
5. Does the customer have to license the entire school?
6. What if the number of machines increases or decreases during the 12 month School Agreement term?
7. Are primary/secondary students eligible to use the software under School Agreement?
8. Can teachers use the software on their home machines?
9. Can a consortium purchase School Agreement to cover all of its machines?
10. Can a district or consortium enter into a School Agreement and add schools to the agreement throughout the term of the agreement?
11. Are State Department of Education systems eligible to sign a School Agreement on behalf of schools in the state?
12. What products are included in School Agreement?
13. How does a school/district purchase other Microsoft products not covered in the School Agreement product offering?
14. What is the policy for upgrades and downgrades under School Agreement?
15. Are international versions available under School Agreement?
16. What is the pricing for School Agreement?
17. Will there be a price cap on the Estimated Retail Price?
18. How can institutions distribute software to teachers/staff?
19. Is support included with School Agreement?
20. Will the school/district have to sign a contract for School Agreement?
21. When a customer renews a School Agreement, will they have to sign a new agreement or will there be an addendum?
22. How can a customer cancel out of School Agreement?
23. What is the customer's liability surrounding the removal of software from machines if the customer decides not to renew their School Agreement contract?
24. Did primary/secondary education customers have any input into this new licensing program?

Timeline Questions and Answers

25. When will School Agreement be available to my customers?
26. When can I talk to my customers about School Agreement?
27. What is the estimated time for School Agreement contracts?
28. When will distributor pricing be available?
29. When will this be available to Higher Education customers?

Other Volume Licensing Options

30. Will School Agreement replace any existing volume licensing program?

31. Are Microsoft Enterprise Agreements an option for districts?
32. How do I position School Agreement with Select and MOLP?
33. What about existing education Select and MOLP customers? Can they transition to School Agreement?

Channel Support and Operations

34. Who can sell School Agreement?
35. What type of support will AERs receive from Microsoft?
36. Where can I get support material and updated information?
37. What if I have more questions about the School Agreement?
38. Can you tell me more about the logistics or operations process for School Agreement?
39. How can customers obtain media and how can AERs assist them in this process?
40. Can AERs and Distributors replicate media to distribute to faculty and staff for their licensed machines via School Agreement?
41. What is Microsoft's return policy for School Agreement?
42. How will I remember when a customer's 12 month School Agreement is expiring?
43. Does the School Agreement License Authorization number provide the same information in it that is provided in an Open License Authorization number?
44. On which price list(s) will the School Agreement SKUs be listed?
45. Will the customer receive a copy of the signed agreement?
46. How do I check the status of orders?
47. How will I know if my customer can start installing the software covered under their licenses?
48. Can you step me through the Channel Partner form on the Agreement?

Q1. What is School Agreement?

A. School Agreement is Microsoft's new comprehensive worldwide volume license program for primary and secondary education customers. This program was designed through comprehensive feedback directly from customers with the goal of addressing the unique needs of schools.

Q2. Can you explain the program in more detail?

A. School Agreement is an annual licensing program that allows a customer to count the number of eligible machines and multiply that by a tiered price. Once they purchase School Agreement, the customer has the rights to run the licensed software for a 12-month period, and is licensed for all upgrades and downgrades of the licensed software throughout the term of the agreement. At the end of the agreement, the customer either renews the license agreement, cancels out of School Agreement by purchasing upgrade licenses, or removes the software from their machines.

Q3. What is an "eligible" machine?

A. Eligible machines include: 100% of Pentiums, PowerMACs and iMACs. If a customer needs to run the software on 286, 386, 486, Apple, UNIX or Windows Terminal machines, they will need to count up the exact number of machines that will be running the software and add that number to the total count. Example: A school has 200 Pentiums, 100 iMACs, 100 386 machines, 100 Windows Terminals. The school will only run School Agreement software on 50 of their 386 machines and 25 of their Windows Terminal machines. The total number of machines that they must cover equals: 200 Pentiums + 100 iMACs + 50 386 machines + 25 Windows Terminal machines = 375 total machines. The school must report 375 machines on their School Agreement contract.

Q4. Is there a minimum eligible machine count in order to participate in School Agreement?

A. Yes. A school or district must have a minimum of 100 eligible machines in order to participate in School Agreement.

Q5. Does the customer have to license the entire school?

A. Yes, the customer will have to license 100% of the eligible machines in the school. The school must also meet a minimum requirement of 100 eligible machines to enter into a School Agreement.

Q6. What if the number of eligible machines increases or decreases during the 12 month School Agreement term?

A. If the number of eligible machines increases during the course of the School Agreement term, all new machines are automatically covered under School Agreement at no additional charge. If the number of eligible machines decreases throughout the term, the customer will receive no money back. At the end of the 12-month agreement, the customer will simply calculate the new eligible machine numbers and enter into a new agreement.

Q7. Are primary/secondary students eligible to use the software under School Agreement?

A. Software on institutionally owned or leased machines, whether in the classroom or in labs, can be used by students. Students are not eligible to load the software on their home machines.

Q8. Can teachers use the software on their home machines?

A. Yes, under the End User License Agreement for academic products, teachers are eligible to use the software on a secondary machine which is used primarily for work purposes. With School Agreement, the number of teachers that can use the software on their home machine will need to equal the number of eligible PCs that are covered under School Agreement. Example: A school signs a School Agreement for 1000 machines. The school has 2000 teachers. Only 1000 teachers will be able to load and use the software on their home machine.

Q9. Can a consortium purchase School Agreement to cover all of its members?

A. A qualified education consortium can purchase School Agreement for its own machines. See qualified education definition for more information on consortiums. They can also sign a School Agreement to cover all of its members if they have ownership and control of the daily operations of their member institutions. However, School Agreement is an up front, annual program, so consortia will have to pay for all of its members at the beginning of the 12 month agreement.

Q10. Can a district or consortium enter into a School Agreement and add schools to the agreement throughout the term of the agreement?

A. No. The district or consortium cannot add schools at different times throughout the term of the agreement. They must sign up all schools at once, and if they need to add new schools, they will need to wait until they renew their agreement.

Q11. Are State Department of Education systems eligible to sign a School Agreement on behalf of all schools in the state?

A. Yes, the State DOE can sign a School Agreement. However, School Agreement is an up front, annual program that the State DOE will have to pay for all of the participating schools at the beginning of the 12 month agreements.

Q12. What products are included in School Agreement?

A. Microsoft products included in Microsoft School Agreement are Microsoft Office Professional Edition and Office Macintosh Edition, Microsoft Works, Windows 32-bit operating system Upgrade, Encarta Reference Suite and Online, BackOffice Client Access License (CAL), Visual Studio® Professional Edition, and Microsoft Press Office 2000 Interactive.

Once a customer enters into a School Agreement, they are also eligible for add-on products, including Project, FrontPage, Microsoft Press Windows Starts Here, Microsoft Press NT Workstation Starts here, and Microsoft Press Web Essentials Starts Here.

Q13. How does a school/district purchase other Microsoft products not covered in the School Agreement product offering?

A. Full Packaged Product, Open License and Select are also still available options for education customers.

Q14. What is the policy for upgrades and downgrades under School Agreement?

A. The customer can upgrade to the newest versions of the products in the product offering throughout the 12-month agreement term. Conversely, the customer can elect to

distribute previous versions of the products in the offering throughout the 12-month agreement term.

Q15. Are international versions available under School Agreement?

A. Yes. A school/district can purchase international versions of products within the product offering at no additional charge.

Q16. What is the pricing for School Agreement?

A. Pricing for School Agreement is tiered depending on the number of eligible machines that will be licensed. The pricing tiers and pricing, based on US \$ *Estimated Retail Prices*, are as follows:

Platform:

100-249 machines	\$49
250-2,499	\$45
2,500-25,000	\$42

Add-On Products:

Microsoft Project	\$5
Microsoft FrontPage	\$5
Microsoft Windows 98 Starts Here	\$2
Microsoft Windows NT Workstations Starts Here	\$2
Microsoft Web Publishing Step by Step Interactive	\$2

Q17. Will there be a price cap on the Estimated Retail Price?

A. Microsoft will self-impose a 10% price cap on our pricing to distributors.

Q18. How can institutions distribute software to teachers/staff?

A. Schools or districts that purchase licenses via School Agreement can distribute the software to teachers/staff in four ways:

- Load the software on a secured site and have eligible teachers and staff download the software to their machines (only 1 download per licensee)
- Teachers and staff can bring in their computer to a central location designated by the school/district and download from the school/district network
- The school/district can set up a library check out system for CDs for teachers and staff
- The school/district can duplicate CDs for teachers and staff

In order to distribute software in the methods listed above, the school/district must order media first through Worldwide Fulfillment. They will need to place the order through their AER.

Q19. Is support included with School Agreement?

A. No. There are several support options for the customer, including enlisting services of Microsoft Certified Solution Providers or purchasing the support offerings from Microsoft. Information on Microsoft support can be obtained at <http://www.microsoft.com/support/>

- Q20. Will the school/district have to sign a contract for School Agreement?**
A. Yes, there will be a short contract that the school/district will need to sign. If a school district is signing an agreement on behalf of one or more school sites, then each school site must sign a participation agreement, documenting their site's eligible machine count. If a consortium is signing an agreement on behalf of one or more school districts, then each school district must sign a participation agreement, documenting their school district's eligible machine count.
- Q21. When a customer renews a School Agreement, will they have to sign a new agreement or will there be an addendum?**
A. The customer will need to sign a new contract updating their eligible machine count when renewing their School Agreement.
- Q22. How can customers cancel out of School Agreement?**
A. Primary and secondary education institutions can cancel out of School Agreement at any time during the 12 month period. If a customer decides to cancel out six months into its Campus Agreement, money will not be refunded for the remaining six months of the agreement. To cancel out of School Agreement, the customer will need to count up all of its machines and pay an upgrade price for all of their machines for Office Standard/Professional, Windows Upgrade, BackOffice CALs, and Project and/or FrontPage (if they purchased these products as add-ons. See question about Add-On products in this FAQ.) For Visual Studio and the Microsoft Press titles, they will need to count up the number of machines that are currently running those products and multiply that number by an upgrade price for each product. The upgrade prices will be included on the School Agreement Estimated Retail Price List. Example: A customer entered into a School Agreement for 1000 machines. They also purchased Project as an Add-On product via School Agreement. They decide to cancel out of School Agreement. They are currently running Visual Studio on 25 machines. Therefore, they must pay: (500 * the upgrade prices for Office, Windows Upgrade, BackOffice CALs and Project) + (25 * the upgrade price for Visual Studio).
- Q23. What is the customer's liability surrounding the removal of software from machines if the customer decides not to renew their School Agreement contract or purchase the back out option?**
A. The customer is responsible for removing software from institutionally owned machines.
- Q24. Did primary/secondary education customers have any input into this new licensing program?**
A. Yes. We have spent the past several months talking with our primary/secondary education customers about the type of licensing program that would best meet their needs. Our customers have been involved in the development of Microsoft School Agreement every step of the way. Microsoft has also reviewed plans with a variety of channel partners and incorporated their feedback into plans for Microsoft School Agreement.

Timeline Questions and Answers

- Q25. When will School Agreement 1.0 be available to my customers?**
A. Microsoft School Agreement 1.0 will be announced to customers on April 6, 1999 and will be available for purchase May 3, 1999.
- Q26. When can I talk to my customers about School Agreement?**
A. You can discuss School Agreement 1.0 with your customers as of April 6, 1999.

Q27. What is the estimated time for School Agreement contracts?

A. Microsoft will supply distributors with the School Agreement contracts the middle of April.

Q28. When will distributor pricing be available?

A. Distributor pricing is available today.

Q29. When will this be available to Higher Education customers?

A. Microsoft Campus Agreement has been in place since October 1998 for higher education customers. For more information on Campus Agreement, please see information on our website at <http://www.microsoft.com/hed/>.

Other Volume Licensing Options Questions and Answers

Q30. Will School Agreement replace any existing volume license programs?

A. No. School Agreement will be added to the volume license offerings of the Open License and Select programs. Thus, there are now three (3) standard volume license programs for primary/secondary education customers to choose from:

1. **Open License** – Open License will continue to be a great volume licensing program for small and medium schools or districts who need: to purchase smaller quantities of licenses, a simple transaction model, and the non-committal flexibility of Open. Education Open will continue to be available through all Microsoft Authorized Education Resellers (AERs).
2. **Select** – Select will continue to be available to large schools, districts or qualified consortiums with 1,000+ PCs who can and want to forecast software use over the term of the agreement and want to place monthly orders from their Large Account Reseller (LAR). Education Select will continue to be available through the existing Large Account Resellers (LARs).

Q31. Are Microsoft Enterprise Agreements an option for schools/districts?

A. Microsoft will not offer Enterprise Agreements to education customers. However, if an account has over 25,000 machines and is willing to make a 3+ year commitment, and can make an enterprise commitment for the entire district, then a custom deal is an additional option via the Microsoft business desk. If you have a customer that qualifies for custom deal, you can contact the business desk through a Microsoft education representative.

Q32. How do I position School Agreement with Select and MOLP?

A. Microsoft has put together a program comparison document and examples via scenarios. This information can be found on <http://partnering.microsoft.com/edpartner/>.

Q33. What about existing Education Select and Open License customers? Can they transition to School Agreement?

A. Existing Education Select and Open License customers can transition to School Agreement. Customers will not get a refund for their current purchases under Select or Open License.

Channel Support and Operational Questions and Answers

Q34. Who can sell School Agreement?

A. All Authorized Education Resellers can sell School Agreement 1.0.

Q35. What type of support will AERs receive from Microsoft?

- A. Microsoft will be providing the following support for AERs and Distributors:
- Updated Q&A doc with frequently asked questions
 - Online seminars on <http://partnering.microsoft.com/edpartner/>
 - End user ready PowerPoint® presentation graphic program slides with high level School Agreement information
 - School Agreement sales kit to include Q&A doc, Microsoft licensing program comparisons, sales guide, fax outs for customers
 - End user ready brochure for AERs to customize and send to customers

Q36. Where can I get support material and updated information?

- A. A reseller's first point of contact for School Agreement questions is their distributor. Also, all material and information will be posted on Microsoft's private partner site for education channel partners. This site is located at: <http://partnering.microsoft.com/edpartner/>. The School Agreement sales kits will be mailed to each AER.

Q37. What if I have more questions about School Agreement?

- A. If you have questions about the program, please first contact your distributor. All other education market questions about products, pricing, and programs can be addressed through <http://www.microsoft.com/education>

Q38. Can you tell me more about the logistics or operations process for School Agreement?

- A. The operations process works as follows: Microsoft provides the Distributor with a hard copy of Campus Agreement contract. When the customer is ready to sign, the Distributor sends the contract to the AER, who works with the customer to fill out all customer information. The customer signs the Campus Agreement and submits the agreement, along with their PO to their AER. The AER fills out their portion of the Campus Agreement Partner Sign Up Form and sends the agreement and PO to the distributor. The distributor ensures that all information has been filled out completely and accurately, fills out their own portion of the Partner Sign Up Form and submits the agreement and PO to Microsoft. Microsoft will then sign the agreement, invoice the distributor and send an acceptance letter to the customer, the AER and the distributor.

Q39. How can customers obtain media and how can AERs assist them in this process?

- A. Customers need to order media through their AER. Only AERs and Distributors with valid Campus Agreement numbers will be allowed to order media. The AER or Distributor can order media equaling the number of faculty/staff FTEs on the Campus Agreement form.

Q40. Can AERs and Distributors replicate media to distribute to faculty and staff for their licensed machines via School Agreement?

- A. The AER, Distributor or other third party can replicate media for the school/district for their licensed machines. The customer bears full responsibility for all acts and omissions of the AER, distributor or other third party arising from or relating to the making of pre-installation of copies of Microsoft products.

Q41. What is Microsoft's return policy for School Agreement?

- A. The Distributor may request, through MS' VLOR website or its Account Management

Specialist, a return of School Agreement License Product, provided that the Distributor purchased the School Agreement License Product directly from Microsoft and complies with the following (a) All return requests for School Agreement License Product must be made within sixty (60) days from the date of invoice from Microsoft. As a term of the agreement, the end customer will have the right to return School Agreement License Product to their AER within thirty (30) days from the invoice.

Q42 How will I remember when a customer's 12 month School Agreement is expiring?

A. Microsoft will send a letter to the customer, AER and Distributor 60 days before the agreement will expire.

Q43. Does the School Agreement License Authorization number provide the same information in it that is provided in an Open License Authorization number?

A. No. The School Agreement number is a unique number that identifies the contract, it will not include logic within the number that indicates price level. It is just a random generated number that uniquely identifies that contract.

Q44. On which price list(s) will the School Agreement SKUs be listed?

A. The School Agreement pricing will be a new button on CPL98 which is the licensing pricing tool available to direct partners on CP Web.

Q45. Will the customer receive a copy of the signed agreement?

A. No, the customer will receive a confirmation letter in place of a copy of the signed agreement. Microsoft will keep the agreement on file.

Q46. How do I check the status of orders?

A. You can email the Selquest@microsoft.com alias. Include the customer's name, address, and date of order. As this is a manual system response times may vary.

Q47. How will I know if my customer can start installing the software covered under their licenses?

A. The customer can start installing the software covered as soon as they receive the acceptance letter from Microsoft.

Q48. Can you step me through the Channel Partner form on the Agreement?

A. More information to provided at a later date.

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