

Information Technology Policy

Enterprise Software Asset Management Policy

Number

ITP-BUSFM013

Effective Date

March xx, 2023

Category

Business/Financial Management

Supersedes

None

Contact

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1. Purpose

This Information Technology Policy (ITP) establishes the policy and best practices for the efficient management of Commonwealth Enterprise Software.

2. Scope

This ITP applies to all offices, departments, boards, commissions, councils, and other entities that utilize Commonwealth Enterprise Software (hereinafter referred to as "agencies").

Third-party vendors, licensors, contractors, or suppliers shall meet the policy requirements of this ITP that are applicable to the products and services provided to the Commonwealth.

3. Background

The primary goal of the IT Asset Management (ITAM) process is to reduce IT costs and limit operational, financial, and legal risks related to the ownership and use of assets through managing and optimizing assets across their lifecycle. As part of the overall IT asset management process, there is a need to implement Software Asset Management (SAM) best practices across the Commonwealth. For the purposes of this policy, we are focusing on the specific aspects of SAM related to the central management of Commonwealth Enterprise Software licenses through a common tool or console.

4. Definitions

Centralized Licensing Agreements (CLA): A license agreement or enrollment for the purchase of licenses by the Office of Administration ("OA") to provide licenses to the Enterprise.

Enterprise Software: Software, applications, or programs that are procured, obtained, created, licensed, or managed by the Office of Administration, Office for Information Technology (“OA/IT”) and used uniformly across multiple agencies.

License Pool: Groups the total number of licenses purchased by product type, which can be segregated by agency, bureau, funding stream, or other required method. As licenses are assigned or unassigned to users, the pool will be updated to reflect the remaining balance of available licenses.

Software Asset Management (SAM): A set of processes and strategies for the efficient management of software assets throughout their lifecycle. The focus of SAM includes maximizing value, controlling costs, and supporting decision-making.

Software License Reclamation: Software license reclamation, also known as license harvesting, is a component of SAM that involves identifying unused or underutilized software licenses and returning them to a License Pool, so that they can be reallocated to others.

5. Objective

The objectives for establishing an enterprise-wide policy for SAM include:

- Maintaining an up-to-date inventory and providing a real-time view of software licenses. This data will be used to support decision making regarding the purchase of additional software licenses and will assist with rightsizing future renewals.
- Proactively identifying and implementing cost savings measures through the reclamation and reallocation of unused or underutilized software licenses.
- Establishing criteria and standards to ensure the proper license is issued.
- Expediting audit response, maintaining compliance with license agreements, and limiting operational, financial, and legal risks related to over or under allocation.

6. Policy

6.1 Licensing Assignments

Commonwealth employees and contracted resources shall be issued the level of software license necessary based on their job duties and requirements. OA/IT shall maintain guidance for commonly used Enterprise Software that outlines the license or type of license that shall be assigned to users by default. This guidance is available in *RFD-BUSFM013B, Software Default Licensing Assignment Reference Document*.

If the guidance in *RFD-BUSFM013B, Software Default Licensing Assignment Reference Document* is inconsistent with any contractual agreements, the provisions of the contractual agreement shall take precedence.

6.2 Software License Reclamation

OA/IT shall conduct regular reviews of Enterprise Software license utilization to identify instances where the software is unused or underutilized.

Once identified, any software that meet the criteria for being unused or underutilized shall have software uninstalled or the license unassigned. These licenses shall then be returned to the license pool and reassigned to other users requiring that software.

If a user determines that a reclaimed software is needed, they shall submit a request to have the software reinstalled or the license reassigned via the Enterprise IT Service Management tool. The request shall include justification as to why they require the software.

A list of Enterprise Software that is subject to the license reclamation process, along with the criteria for each to be considered unused or underutilized, and the actions to be taken is available in *RDF-BUSFM013A, Enterprise Software Reclamation Reference Document*.

6.3 Enterprise License Procurement

OA/IT shall purchase licenses that are available on a CLA and charge agencies for use of licenses that are included in the agreement or onboarded onto the agreement. Agencies shall be charged based on their assignment or consumption of the licenses in accordance with a chargeback methodology, such as Shared Service Apportionment (SSA) or an approved chargeback method.

A listing of the current CLAs, the products, and agencies they apply to, and the onboarding processes, is available in *RDF-BUSFM013C, Enterprise License Procurement Reference Document*.

7. Responsibilities

7.1 Agencies shall:

- Adhere to the guidance provided in *RFD-BUSFM013B, Software Default Licensing Assignment Reference Document* when issuing licenses for Enterprise Software.
- Follow the process outlined in this policy in the event they need reclaimed software licenses reinstated.

7.2 OA/IT shall:

- Maintain a list of commonly used Enterprise Software with guidance on the licenses that should be provided.
- Maintain a list of Enterprise Software subject to the reclamation process.
- Conduct regular reviews of Enterprise Software installations to identify instances where the software is unused or underutilized and return those licenses to the license pool.

7.3 Third-party vendors, licensors, contractors, or suppliers shall:

- Comply with the requirements as outlined in this ITP if utilizing Commonwealth Enterprise Software.

8. Related ITPs/Other References

- Definitions of associated terms of this policy are published on the Office of Administration's public portal: <http://www.oa.pa.gov/Policies/Pages/Glossary.aspx>

- Commonwealth policies, including Executive Orders, Management Directives, and IT Policies are published on the Office of Administration’s public portal: <http://www.oa.pa.gov/Policies/Pages/default.aspx>
- [*Management Directive 205.34 Amended, Commonwealth of Pennsylvania Information Technology Acceptable Use Policy*](#)
- *RDF-BUSFM013A, Enterprise Software Reclamation Reference Document*
- *RFD-BUSFM013B, Software Default Licensing Assignment Reference Document*
- *RFD-BUSFM013C, Enterprise License Procurement Reference Document*

9. Authority

[*Executive Order 2016-06, Enterprise Information Technology Governance*](#)

10. Publication Version Control

It is the [Authorized User](#)’s responsibility to ensure they have the latest version of this publication, which appears on <https://itcentral.pa.gov> for Commonwealth personnel and on the Office of Administration public portal: <http://www.oa.pa.gov/Policies/Pages/default.aspx>. Questions regarding this publication shall be directed to RA-ITCentral@pa.gov.

11. Exemption from this Policy

In the event an agency chooses to seek an exemption from the guidance within this ITP, a request for a policy waiver shall be submitted via the enterprise IT policy waiver process. Refer to [*ITP-BUS004, IT Policy Waiver Review Process*](#) for guidance.

This chart contains a history of this publication’s revisions. Redline documents detail the revisions and are available to CWOPA users only.

Version	Date	Purpose of Revision	Redline Link
Original	03/27/2023	Base Document	Revised IT Policy Redline <03/27/2023>