

TO: DIRK KUNZ – CHIEF FINANCIAL OFFICER
FROM: PRISCILLA KOBE (SENIOR MANAGER – ENTERPRISE RESOURCING)
DIVISION: BUSINESS CHANGE AND TECHNOLOGY (BCT)

REQUEST FOR THE APPROVAL OF A SOLE SOURCE PROCUREMENT PROCESS FOR UNIFIED ENTERPRISE SUPPORT TO BE PROVIDED BY MICROSOFT IRELAND FOR A PERIOD OF 12 MONTHS.

1. PURPOSE OF SUBMISSION/ RESOLUTION REQUIRED

The CFO is hereby requested to approve a deviation from the competitive procurement process and authorise a sole-source procurement process to approach Microsoft Ireland for the provision of Microsoft Unified Enterprise Support for a period of 12 months.

2. DELEGATION OF AUTHORITY

In terms of the Sasria Delegation of Authority (DoA) Policy, the CFO is authorised to approve deviations from competitive procurement processes under a sole source procurement approach. The final contract award will be subject to approval by the appropriate governance structures in line with the DoA.

3. BUSINESS REQUIREMENT/NEEDS BACKGROUND

a. Requirement Definition

The request is to approach Microsoft Ireland, to provide Unified Enterprise Support, through a sole source procurement process, for a contract period of 12 months.

b. Process/Approach

The most appropriate sourcing strategy that will be used for this requirement is to engage the supplier directly through Sole Source Procurement for the services required. The supplier will be requested to submit the required proposal/quotation to Procurement.

c. Background

Sasria is currently contracted with Microsoft Ireland for Microsoft Azure services under the existing Microsoft Customer Agreement (MCA), which is valid from 1 August 2025 to 31 July 2027. Under this agreement, Sasria relies on the Azure Standard Support plan for technical assistance relating to Azure production workloads. While the Standard Support plan provides access to Microsoft technical support for Azure incidents, including the ability to log support requests and obtain assistance through online, email, phone or chat channels depending on severity and availability, its coverage remains limited to Azure-specific break-fix support and general configuration guidance. It does not provide organisation-wide proactive support, dedicated service management, structured escalation oversight, cloud readiness and adoption services, security and risk assessments, technical advisory engagements, or support across Sasria's broader Microsoft estate, including Microsoft 365, Security, Data platforms and on-premises Microsoft technologies. These limitations create a support gap as Sasria's Microsoft environment continues to expand and become increasingly business-critical.

d. Detailed Scope

The scope of work covers the provision of Unified Enterprise Support over a 12-month period, effective on the date of contract signature. The scope of work includes:

- 24x7 organization-wide technical support and problem resolution for Microsoft technologies
- Reactive support contacts with defined response times for all Severity incidents
- Escalation management for critical business system outages and degraded services
- On-demand IT health assessments, including setup and configuration services
- Azure cloud assistance and billing support
- Dedicated Customer Success Account Manager (CSAM) for service delivery and strategic guidance
- Advisory support from Microsoft experts for technical and operational guidance

- Access to technical training, on-demand videos, hands-on labs, learning paths, and expert-led webcasts
- Enterprise online support portal (Services Hub) for support management, recommendations, and product updates
- Designated Engineering support for Dynamics 365 Finance & Supply Chain Management (40 hours), including proactive engineering services
- Enhanced Designated Engineering support for Modern Security Operations (200 hours)
- Intune Optimization engagement (5-day proactive operations program)
- Azure Cost Optimization WorkshopPLUS engagement (2-day workshop)
- Improved system availability, reliability, and operational resilience through proactive health assessments and risk management

4. MOTIVATION FOR SOLE-SOURCE PROCUREMENT

The request for a sole-source procurement is driven by the need to appoint **Microsoft Ireland** as the original equipment manufacturer (OEM) and sole provider of Microsoft Unified Enterprise Support services.

As Sasria continues to grow and modernise its technology environment, its Microsoft footprint is expanding beyond traditional support requirements, particularly through the migration and deployment of additional workloads, systems and business services into Microsoft Azure. This growth increases Sasria's dependency on Microsoft platforms for operational availability, resilience, data protection and cyber security. The existing Standard Support plan is largely reactive and focused on Azure-specific break-fix incidents, whereas Microsoft Unified Enterprise Support provides a broader, proactive and organisation-wide support model that covers Sasria's full Microsoft estate, including Azure, Microsoft 365, Security, Data platforms, Windows, hybrid workloads and on-premises Microsoft technologies. The service will enable Sasria to access 24x7 problem resolution support, structured escalation management, proactive risk assessments, IT health checks, cloud readiness support, security advisory services, direct engagement with Microsoft engineers, and guidance from a dedicated Customer Success Account Manager. This will strengthen Sasria's ability to identify and remediate risks earlier, improve system reliability, enhance its security posture across cloud and on-premises environments, and ensure that Microsoft support is aligned to Sasria's expanding operational and business requirements.

While accredited local Microsoft partners can provide valuable implementation, licensing, managed services and product-specific support, they cannot provide Microsoft Unified Enterprise Support as an incorporated Microsoft support service. Unified Enterprise Support is delivered directly by Microsoft and provides a single integrated support framework across the customer's full Microsoft estate, including Azure, Microsoft 365, Dynamics 365, Security, Windows Server, SQL Server, hybrid environments and on-premises Microsoft technologies. The service combines 24x7 problem resolution, proactive services, advisory support, governance, technical training, health assessments, risk reviews, escalation management, Customer Success Account Management, critical situation management and access to Microsoft engineering expertise under one coordinated engagement model. Local partners may assist with first-line support or implementation activities, however, they cannot provide the full Unified Enterprise Support service, nor can they replicate Microsoft's direct access to its global support organisation, product engineering escalation channels, proprietary diagnostic capabilities and specialised engineering services. Microsoft has further provided a letter confirming that it is the sole provider of the incorporated Microsoft Unified Enterprise Support services. On this basis, the required support service cannot be competitively sourced from local partners and must be procured directly from Microsoft Ireland as the original equipment manufacturer and sole provider.

The implementation of Microsoft Unified Enterprise Support will be evaluated to determine whether the services have delivered measurable value to Sasria's support operations, security posture, and overall Microsoft technology environment. Should the evaluation confirm that the support model has provided the expected operational and security benefits, BCT will accordingly budget for the continuation of the service beyond the initial 12-month period.

The proposed sole-source procurement is intended to help Sasria minimise downtime and disruption, reduce support backlog and the pressure of reactive support, drive cloud adoption, strengthen cyber security posture and improve systems health while staying ahead of risks in the environment. The proposal also states that the support model is designed to evolve with future priorities and organisational needs

Email was sent to Microsoft to clarify the sole source procurement by Microsoft Ireland vs Microsoft corporation and to understand the differences between the two corporations. The response is attached as Annexure A (Email response).

5. BUDGET

The BCT department has an estimated budget of R1 600 000.00 to cover the costs of the service.

6. RECOMMENDATION

The CFO is hereby requested to grant approval to deviate from the competitive procurement process to initiate a sole-source procurement process in respect of Unified Enterprise Support, through a sole source approach to Microsoft Ireland.

7. SIGNATURES:

Compiled by:

Teboho Dlamini – Infrastructure Manager

Date _____

Supported by:

Priscilla Kobe – SM Applications

Date _____

Recommended by:

_____ **Date** _____
Tebogo Ledwaba: Head of Procurement (Acting)

Approved by:

_____ **Date** _____
Dirk Kunz: Chief Financial Officer