TAZ Technology Report

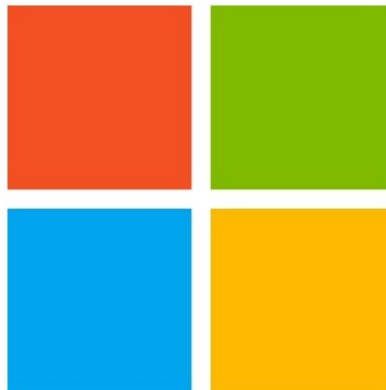## How to Survive a Microsoft License Verification

Certain phrases can almost make people's minds shut down: tax audit, insurance review, court subpoena. Anything involving a lot of detail-oriented work outside of a person's expertise can strike fear into the heart, especially of a small business owner with their life's work potentially at stake.

When you get a notification that Microsoft wants a software license verification, exactly how much should you panic?

If you're a TAZ Networks client, don't panic at all! Fortunately for you, we've successfully handled software license reviews for several of our clients over the past few months. Here are three things you need to know:

TAZ Networks can help with your Microsoft license verification request.

It's not as scary as it sounds. As Grant says, "Rather than being like an audit, the process is similar to filing your tax return with the help of an accountant, with TAZ Networks playing the role as accountant. The License Verification states your position as you currently understand it, with the opportunity for adjustment later."

It's possible to extend the deadline for a limited time, if there is a legitimate business need. One example might be if your company is in the middle of a server migration or other complex networking project.

TAZ NETWORKS

Microsoft® Partner
Silver Midmarket Solution Provider

Our Mission: To provide the highest quality service and technology solutions for our clients, while pushing ourselves to greater knowledge and understanding.

Ignorance is NOT bliss. If you ignore or delay submitting the Deployment Summary (Microsoft's official licensing verification document) without staying in touch with the Microsoft contact for your case, you could find yourself in the middle of a software licensing audit, which is far more involved and far less pleasant.

How Does TAZ Networks Help You Manage the Process?

Without getting into all of the details, here's a quick rundown on six steps we take to help you with your license verification.

1. **Run a software review report** through our monitoring agent. This is part of the reason we currently only extend this service to our managed service clients: they already have the monitoring agents installed, simplifying this step.

2. **Comb through this report,** looking for information relevant to the verification, and weeding out what is not important. We have a set process that guides us through a number of potential pitfalls, including lapsed subscriptions, incorrect estimations, and more.

3. **Gather all proofs of purchase** such as product license keys, authorization numbers, OEM supplied software, etc.

4. **Review our findings with you,** explain any issues or discrepancies found, and recommend corrections.

5. **Pre-fill the Deployment Summary** as much as possible, using the information we've gathered.

6. **Review the Deployment Summary with you,** and sit down with your company's representative as they fill out the online form, explaining each step.

We can help you straighten out your Microsoft licensing.

Please note that we can only document what we know about! Licenses purchased through TAZ Networks and OEM licenses provided with workstations purchased through TAZ Networks are relatively easy for us to track. We also track any software information that you have provided to us. *Any other licensing information has to come from you.* Remember that this process largely benefits Microsoft, as any licensing shortfalls must be remedied to be in compliance.

(Translation: Microsoft will make you pay for any software licenses that you are using but can't prove you have legitimately purchased.) So it pays – literally – to be as thorough and accurate as possible.

Microsoft's Turn: Let the Negotiations Begin

After the Deployment Summary has been submitted, Microsoft will review it and reply with an Estimated License Ownership Position (ELOP). This is where Microsoft shows their cards. It will help you to identify Microsoft's position, and investigate areas that may have been genuinely overlooked. If Microsoft wants proof of a SQL Server license we were previously unaware of, for example, we can help you locate that evidence.

At this point, it's possible for us to negotiate with Microsoft regarding some of the terms and items. For example, if all of your workstations were purchased with OEM-supplied Windows installed, a simple statement of that fact can prevent Microsoft from demanding that you pay again for these licenses.

We will do what we can to keep you from incurring "shortfall" fees, while we also give Microsoft an accurate report. Being honest and accurate prevents problems down the road (and, of course, is the right thing to do).

What's In It For You?

We feel your pain: the license verification process can be tedious,

The President's Corner — Need A Shoulder To Lean On?

As a business owner have you ever just sat and thought about who could help you with a problem in your business? "Surely someone has encountered this very thing before and could help me with a solution!" Most people rely on a trusted advisor, consultant, or mentor. As the owner of TAZ Networks, I rely on a peer group. I highly recommend this kind of resource to all of my clients.

TAZ Networks belongs to the Heartland Technology Groups (HTG) where we talk about the day-to-day struggles of technology companies. As you can imagine, we aren't alone. Many of my peers have the same issues I do. I'm sure in your industry they have exactly the same sort of thing.

I just came back from our Phoenix meeting (yeah I know, tough weather!) and we covered such topics as the future of cloud computing, compensation for executives, referrals and how to get them, leadership training, how to get leaders to rise in our organizations, financial uncertainties, vendor relationships and a host of other things in a jam-packed 3 days. Check out a peer group for your organization!

Tavis Patterson is the President and founder of TAZ Networks.

Meet Matt Vincent, Account Manager

Matt Vincent is breaking in a new position here at TAZ Networks as our first Account Manager.

As Account Manager, Matt is our main client liaison, working to be sure our clients' overall needs and "big picture" issues are anticipated and addressed. He also follows up on incoming leads and cultivates new clients.

Matt's career has previously included several sales and account manager positions, most recently in digital sales for YP Marketing Solutions. Other prior positions have required specifying technically precise item descriptions, which helped prepare Matt for the technology world with us.

A recent move to Brighton for Matt and his family puts him in a better location to enjoy our area's great outdoors. Outside of work, Matt enjoys camping and watching Formula One Races. When you meet him, be sure to ask about his watch collection.

*Matt Vincent
Account Manager*

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time-consuming, and stressful. But there are a few benefits:

- It unveils licenses that may have been "lost" or forgotten about. If these licenses are for up-to-date products, it's like finding money in your coat pocket on the first cold day of the year.

- License verification keeps everyone paying their fair share by flushing out software piracy and counterfeiting.

- Your documentation will be up-to-date and organized, making it easier to find the information if needed in the future.

We hope this article has removed some of the fear and mystery of the license verification process. Do you have other questions about license verification? Contact us, and we'll be happy to help.

Thanks to Grant Thomson for his extensive assistance with this article.

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Tax-Time Reminder: W-2 Scam is Back… With a Bonus

The email scam we warned you about last year involving W-2 forms is back again. In fact, IRS Commissioner John Koskinen says, **"This is one of the most dangerous email phishing scams we've seen in a long time."**

The scam typically goes like this: An email that looks like it comes from the CEO, CFO or other "big boss" is sent to a lower-level employee, telling them to send the W-2s of all employees.

The "bonus" this year is that scammers are following up the W-2 request with a wire transfer request. Per the IRS, "Some companies have lost employees' W-2 [information] and thousands of dollars due to wire transfers. "

Remember that when you receive sudden requests like this, they are very likely spoofed emails. You should double check by picking up the phone and verify that this is a legit request coming from that executive.

Two Simple Steps to Help Prevent Getting Scammed

1. Education. Please share this information with your payroll, finance, and HR team.

2. Create an internal policy on distributing W-2 forms and wire transfers.

If you receive a W-2 scam email, forward it to phishing@irs.gov with "W2 Scam" in the subject line.

Employees whose W-2s have been stolen should go to www.identitytheft.gov or www.irs.gov/identitytheft. If your tax return is rejected due to a duplicate Social Security number, file a Form 14039, Identity Theft Affidavit.

This tax season, stay alert for scams like this, and — always — think before you click!