

MSLP: Microsoft Licensing Solution Provider Services

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EdgeMarket is preparing to release a new Request for Proposals for Microsoft Licensing Solution Provider (LSP) services. This article introduces the procurement to EdgeMarket members, explains what an LSP does and why this specific contract matters, and describes how members can engage with the design and evaluation process.

The Microsoft LSP RFP is one of two major procurements EdgeMarket is conducting in parallel as the current TeCHS master agreement reaches its scheduled expiration. The other, PRISM (Platform for Research, Innovation, and Strategic Mission), is the broader technology catalog and services platform that succeeds TeCHS. The Microsoft LSP RFP is a separate, dedicated procurement covering only Microsoft licensing services. Together they replace what TeCHS has provided.

What a Microsoft LSP Does

A Microsoft Licensing Solution Provider is a company specifically authorized by Microsoft to resell Microsoft software licenses and cloud subscriptions to organizations under volume licensing programs. LSPs are distinct from general technology resellers in that they hold specific Microsoft authorization to transact Enterprise Agreements, Enrollment for Education Solutions (EES), the Microsoft Customer Agreement for Education (MCA-E), and other volume licensing vehicles that are not available through standard retail or distribution channels.

For a cooperative like EdgeMarket, the LSP performs three essential functions. First, it acts as the transactional intermediary between member institutions and Microsoft, processing orders, managing enrollment paperwork, obtaining agreement numbers, and ensuring licenses are properly provisioned. Second, it administers the ongoing lifecycle of each member's agreement, including renewals, true-ups, mid-term additions, and reporting to both the member and NJEdge. Third, it serves as a licensing advisory resource, helping member institutions navigate Microsoft's complex and frequently changing program structures.

By aggregating demand across the EdgeMarket membership, NJEdge maintains pre-negotiated discount tiers with Microsoft (currently Level C or D pricing) that most individual members could not achieve on their own. The LSP applies these consortium-level discounts to member purchases and serves as the operational connection between members and Microsoft.

Background: From 2018 to Today

EdgeMarket's first dedicated Microsoft LSP contract was issued in 2018 and was awarded to SHI International Corp. When that contract reached its expiration, Microsoft licensing services were folded into the broader TeCHS contract, also held by SHI, which became EdgeMarket's primary technology procurement vehicle.

That arrangement has worked for members, but it has also obscured an important reality: Microsoft licensing is a fundamentally different procurement category from general hardware and software resale. The Microsoft licensing landscape, the credentials and authorizations required to transact effectively in it, and the depth of advisory expertise that members need are different enough that the service category deserves its own dedicated contract again.

The new Microsoft LSP RFP recognizes that. It is being procured separately from PRISM and will operate under its own master agreement, with its own awardee, its own pricing structure, and its own service commitments.

Why Now: A Changed Microsoft Landscape

The seven years since EdgeMarket last issued a dedicated Microsoft LSP RFP have transformed the licensing landscape in ways that warrant a fresh, focused procurement.

- The Microsoft Customer Agreement for Education (MCA-E) has emerged alongside the established Enrollment for

Education Solutions (EES) as a parallel and increasingly dominant licensing framework. The LSP must be able to administer both, advise members on transitions between them, and manage the operational differences.

- The Volume Licensing Service Center (VLSC) has been decommissioned and replaced by the Microsoft Admin Center, fundamentally changing how members and their LSP interact with Microsoft.
- Microsoft 365 Copilot and a range of AI-augmented products have become significant purchasing decisions for institutions and require informed advisory guidance.
- Azure consumption has grown from a peripheral concern to a meaningful budget line for many members.
- In October 2024, Microsoft significantly reduced the financial incentives it pays LSPs for managing volume licensing contracts. This restructuring changed the economics of the LSP business and raised the importance of pricing transparency in the contract.

An LSP contract that does not explicitly address these developments would be structurally outdated from day one. The new RFP is designed to address all of them directly.

Goals of the New Procurement

NJEdge is seeking a Microsoft LSP partner, not merely a transaction processor. The goals of this procurement reflect that distinction.

Competitive pricing that members can trust. Price remains the most heavily weighted single factor in the evaluation, consistent with New Jersey competitive contracting law. The pricing methodology applies the bidder's proposed markup to defined purchase scenarios for three representative member types: a regional university, a mid-sized K-12 district, and a municipal government. This Verified Scenario Basket approach produces a Total Evaluated Cost that is comparable across bidders and realistic in product mix, rather than relying on a single markup percentage that can obscure how an LSP actually prices across categories.

Consistent, high-quality service across member types. One persistent failure in cooperative LSP contracts nationally is that service quality stratifies by member size. Large institutions receive attentive expert support while small members struggle to receive timely quotes or accurate guidance. The new RFP establishes explicit, contract-enforceable service level commitments covering quote turnaround, order processing, enrollment submission, order confirmation reporting, and inquiry response. These commitments apply equally to all members regardless of volume.

Strategic advisory value for the membership. Microsoft licensing is among the most complex and consequential technology expenditure categories for most EdgeMarket member institutions. Licensing program transitions, the emergence of AI add-on products, Software Assurance benefit utilization, and compliance risk are all areas where institutions benefit substantially from expert, proactive guidance. The new RFP establishes a set of mandatory advisory and educational obligations as contract requirements, not optional extras.

A procurement framework that rewards genuine capability. Mandatory oral presentations, named personnel requirements, a minimum \$5M active consortium experience threshold, and reference verification are used to distinguish LSPs with genuine consortium-scale education and government licensing experience from those that may have broad reseller credentials but lack the operational depth.

What Will Be Different This Time

Several elements of the new RFP represent meaningful departures from the 2018 procurement:

- **Three-scenario pricing evaluation.** Pricing is evaluated across three representative member scenarios (higher education, K-12, local government) rather than against a single markup percentage. The scenarios are weighted to reflect the approximate composition of EdgeMarket's membership.

- **Mandatory advisory obligations.** Briefings, business reviews, and educational programming are contract requirements, not optional add-ons. The mandatory commitments include semi-annual Microsoft roadmap briefings, annual executive business reviews, quarterly webinars, an annual in-person Technology Day, and proactive benefit activation support.
- **Microsoft participation in briefings.** The semi-annual Microsoft roadmap briefings must include Microsoft representation, not just the LSP's account team. The most valuable intelligence about Microsoft's licensing roadmap comes from Microsoft itself, and a capable LSP with a strong Microsoft relationship should be able to secure that participation.
- **Open invitation for additional value-add.** Bidders are explicitly invited to propose additional value-added services of their own design. These proposals will be scored as a separate category and verified through deep-dive questioning during the oral presentation.
- **Pricing sustainability safeguard.** NJEdge may require written certification of pricing sustainability from any bidder whose total evaluated cost is more than 25 percent below the next lowest responsive bid. This is not a mechanism to reject low bids. It is a mechanism to require those bidders to stand behind their pricing before contract execution.
- **Contract-enforceable service levels.** Quote turnaround, order processing, enrollment submission, and inquiry response are all subject to contract-enforceable service level commitments measured and reported annually.

How Members Will Be Served

The new contract will include mandatory obligations for the awarded LSP to engage directly with each member institution:

- Structured orientation sessions for new members and onboarding support for institutions transitioning between Microsoft programs
- License optimization reviews upon request
- Proactive benefit activation support for Software Assurance and similar entitlements
- Semi-annual Microsoft roadmap briefings open to all members
- Annual in-person Technology Day events
- Quarterly webinars covering Microsoft licensing developments and member-relevant topics

Members are encouraged to engage actively with these services. The value of a cooperative LSP contract is maximized when members participate actively in the relationship rather than treating it as a passive purchasing vehicle.

How You Can Help: The Member Needs Survey

To shape MSLSP into a platform that genuinely meets member needs, EdgeMarket is conducting an Anticipated Needs Survey. The survey is brief, non-binding, and open to all current and prospective EdgeMarket members.

Member responses serve two purposes. They inform what the RFP will ask for, ensuring that the awardee's capabilities are calibrated to actual member demand. And they satisfy a procurement requirement under N.J.A.C. 5:34-7.9(e)(1), which provides that the RFP identify members who have provided anticipated needs, the nature of those needs over the course of the contract, and other information relevant to proposers.

The survey will ask you to provide your anticipated 12- and 24-month spending in Microsoft products. It will also provide you with an opportunity to narrate your recent Microsoft licensing experience and what you would like to see going forward.

At the end of the survey, we also invite your institution to:

- Review RFP language
- Participate in proposal evaluation as a content expert reviewer

Survey responses are not binding commitments. You are free to procure, or not procure, any amount through PRISM regardless of what you indicate in the survey. The purpose of the survey is to give EdgeMarket and the eventual awardee a clear picture of what the membership needs, so that the contract is built to serve it.

Timeline and Next Steps

The current TeCHS master agreement has been extended until the MSLSP contract has been awarded. The general timeline:

- Member needs survey: open now
- Office of the State Comptroller pre-advertisement notification: in progress
- MSLSP RFP publication: target Summer 2026
- Proposal evaluation, oral presentations, and award determination: Fall 2026
- Contract execution: Fall 2026

Questions and Engagement

If you have questions about MSLSP, want to discuss your institution's anticipated Microsoft licensing needs, or want to be added to the list of members willing to participate in RFP review or proposal evaluation, please contact your EdgeMarket account team or reach out to Edge directly.