Microsoft Partner Incentives

Software Asset Management (SAM) Incentive Program Guide

July 1, 2018 – June 30, 2019

Microsoft
Partner Network

Contents

FY19 SAM Incentive Program Enhancements

Date	Revision History	Updated Page
5/30/2018	• Removed engagement type: Baseline Review, Mobile Device Management, Non-Production Environments and Deployment. Added engagement type: SAM for GDPR • Updated Partner eligibility requirements: Removed "Partner Active in the Managed Partner List (MPL)" as a requirement.	Page 5-7, 13-14 Page 10
7/3/2018	• Added Intelligent Asset Manager (IAM) details and requipements	Page 6-7

SAM Incentive – Program Guide

The SAM (Software Asset Management) Incentive Program Guide is the document published to provide SAM Incentive policies and program rules, including:

1. SAM Incentive Engagement Requirements
2. Step-by-Step Tutorials
3. SAM Incentive Calculation and Payment Expectations
4. Partner Support and Escalation Processes

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Software Asset Management (SAM) is a set of industry standard best practices that incorporate proven strategies for managing and optimizing an organization's IT assets. Implementing SAM protects a customer's software investments by helping recognize the software assets they have, where they are running, and if they are being used efficiently.

SAM is a set of vital business processes that provide a system for the effective management, control, and protection of the software assets within an organization. Customers that implement SAM practices see many benefits, including:

- Better business intelligence and control over their IT infrastructure
- Reduced costs through license optimization
- Reduced risks through license compliance
- Increased security and lower support costs
- Streamlined acquisition and deployment processes
- Improved user productivity, simplified IT management, and faster help desk processes through standardization of applications and platforms

As virtual, hosted and cloud based solutions become more common, with customers considering transitioning some or all of their IT infrastructure to virtual environments, hosted solutions or cloud based services will require solid Software Asset Management practices to:

- Evaluate which components of their current IT infrastructure make sense to transition to outsourced, virtual or cloud environments; and
- Ensure they have a clear understanding of any impact such changes may have on how they license and manage their environment, on any budgetary forecasts, or the timing of reporting new use requirements.

As such solutions are implemented, customers will need to make the necessary adjustments to these and other strategic areas, including how they track and manage their use of software regardless of whether it is on or off premise, in the cloud, virtualized, or 'on the metal.'

SAM Incentive – Overview

Whether your customers are doing business in the Cloud, on-premises, or somewhere in between, the SAM Incentive supports partner profitability and growth in a mobile-first, cloud-first world.

Through the funding of selected engagements, we will introduce customers to SAM best practices, tools, resources and partners who can help them maintain long-term license compliance, including timely and accurate reporting of true-ups and other volume license purchases. Through these engagements, we will provide customers with support to improve the tools, process, and understanding needed to support more timely and accurate reporting of their license use, and ultimately enable enduring compliance.

This program will **not** fund all SAM engagement opportunities. Rather, these incentive funds will be used to encourage new customer acquisition opportunities for partners who have met the SAM incentive partner criteria requirements provided in this guide.

SAM Incentive – Engagement Types & Rates

The SAM Incentive program core engagement types are designed to enable SAM Partners to deliver value—be it cloud-specific, device oriented, or security related—by helping their customers establish critical SAM policies and procedures to manage their assets most effectively and ensure license compliance in support of strategic organizational goals and objectives.
A detailed Statement of Work (SOW) for these engagements can be found in the SAM Incentive Program Resource links located in the Appendix of this document. Therein, descriptions of specific activities and outcomes are provided, including required data collection, required tools, customer inputs, and deliverables to both the customer and Microsoft. Customized alternatives to the defined SOWs are not eligible for this incentive program; however, these SOWs may be increased with any additional scope falling outside of these program requirements and incentive funding.

SAM Incentive – Engagement Types

SAM Incentive Program Engagement Types, Descriptions and Resources.

*** Please be aware that despite the fact you may still see the retired engagements (Baseline Review, Mobile Device Management, Non-Production Environments and Deployment.) on PSC these won't be calculated for payment for deals created after June 30th, 2018. ***

#	Name	Description
1	**Cloud Productivity**	Designed for SAM Partners to engage with new or existing customers who are considering moving part or all of their infrastructure to a cloud environment. Whether the customer is considering software as a service (SaaS), platform as a service (PaaS), or infrastructure as a service (IaaS), a Cloud Productivity SAM engagement should be conducted as a prerequisite to making an informed move from on-premises to cloud solutions. For more information, see the resource table in the Appendix.
2	**Server Optimization**	Provides guidance and resources to help customers optimize their server environment while reducing cost, complexity, and compliance risks. Use this engagement to assess current deployments and determine optimal usage – be it on premises or in the cloud. For more information, see the resource table in the Appendix.
3	**Infrastructure Optimization**	Helps customers select and prioritize their current server workloads and applications to transition to the Cloud while providing insights on the business, cost, and technology benefits. For more information, see the resource table in the Appendix.

4	**SAM for GDPR**	On May 25th, 2018 GDPR (General Data Protection Regulation) became effective. The first step in becoming GDPR compliant is to understand the customer IT and Data infrastructure through Discovery. SAM GDPR helps customer understand their current readiness for GDPR and outlines necessary steps to improve. For more information, see the resource table in the Appendix.
5	**Cybersecurity Assessment**	Provides customers with a view of what software is deployed to identify at a high level areas of potential risk, and provide guidance on their cybersecurity programs and policies to help enable good IT software asset management. The engagement should provide a full inventory that the customer can use as the foundation for a more in-depth organizational security assessment. For more information, see the resource table in the Appendix.
6	**Partner Enablement**	The Partner Enablement engagement is a modular engagement designed to provide the resources and training to properly execute SAM Engagements in the context of a customer SAM review. Whether your Partners are new to the SAM business or have years of experience, the Partner Enablement engagement will accelerate their skill attainment and transformation to delivering SAM customer value engagements. For more information, see the resource table in the Appendix.
7	**SAM for Hosting (SPLA)**	The SAM for Hosting engagement is designed to provide a participating Hoster and Microsoft with a comprehensive overview and analysis of the Hoster's reporting during the Hoster's current and previous Service Provider License Agreement (SPLA) till the start date of the SAM engagement. Also, the SAM Service Partner needs to provide the Hoster with recommendations and best practices related to license inventorying and reporting. The engagement is intended to help Hoster optimize the SPLA reporting, minimize compliance risks and understand SPLA licensing rules. For more information, see the resource table in the Appendix.

SAM Incentive – Intelligent Asset Manager (IAM)

IAM must be utilized for CI Engagements. As outlined in our newly published SOWs – IAM must be used for all SAM Incentive Engagement. SAM for Hosting doesn't require IAM use. We have performed a thorough analysis of historical Exception Notification reasons and determined there are no unaddressed technical reasons for continued support of this process. If you, or your Partner identifies a technical problem – please contact IAM Support at: IAMSupport@microsoft.com for assistance.

Customer Data is the new SAM Currency. With the recently announced changes to our SAM mandate, our organizational focus is now clear and direct. Achieving our business objectives relies on two main pillars:

1. Collecting quality data from our SAM engagements
2. Enabling the use of that data to help our customers make good technology decisions.

Engagements within areas having unique, restrictive, local laws and regulations. Globally there exist many local laws and rules that govern the type, use and transmission of Microsoft Product inventory usage data collected from our Customers. These regulations can be applied uniformly to a market, or be focused on certain industries or sectors.

IAM has gone through rigorous IT, Privacy and CELA reviews to ensure it is both a technically sound solution to deliver on SAM business requirements, but also that it operates within the framework of Microsoft's Privacy Policy and commitments under the U.S.-EU Privacy Shield and the U.S.-Swiss Safe Harbor Framework. On this topic, please familiarize yourself with the customer facing IAM Data Usage and Privacy document that defines the types of data collected, the inventory process, the data workflow as well as the security measures Microsoft has in place to protect the data and privacy of customers and their employees during a SAM Engagement here: *Customer Data Usage and Privacy Information - June 2017*

For engagements with entities having laws or regulations preventing the use of IAM, SAM Incentive Engagements types should not be used. The limitations in our ability to collect data in this scenario prevent us from achieving our business objectives.

Please note: NO engagement data should be gathered or used unless it has come through IAM. Receiving engagement data in an unstructured manner (xls, ppt, email, etc), from any source other than IAM can put Microsoft at considerable risk. All engagement data must be received only via IAM – having gone through IT, Privacy and CELA reviews to ensure appropriate controls, processes and security to manage the data.

Questions. For questions on the retirement of the IAM Exception Notification process please contact - Sandeep Misra sanmisra@microsoft.com. For questions on IAM capabilities and plans, please contact - Roel Decneut rdecneut@microsoft.com.

SAM Incentive – Engagement Rates

All SAM Incentive engagements have an associated fixed incentive fee. The applicable SAM Partner incentive is determined based on market-specific, fixed fee rate schedules. The applicable fee schedule is determined based on the primary location of the customer engagement, and will generally correspond to the location in which the onsite Executive Overview presentation is delivered to the customer at the end of the engagement.

The SAM Incentive Program rates may be adjusted at Microsoft's discretion upon (30) days' notice (to adjust for significant changes in currency exchange rates, for example).

For a complete list of rate schedules by country and engagement type, please see the SAM Incentive Rate Table under the resources section on the SAM Partner Portal.

SAM Incentive – Engagement Levels & Duration

The duration for SAM engagement delivery is associated with pre-defined SAM engagement levels. The engagement levels are based on the type of SAM engagement and estimated number of PCs' or estimated number of Servers' in the customer's organization.

The actual amount of time it takes to deliver an engagement will vary based on customer size within the range, number of locations, additional infrastructure elements and other variables. These estimates are provided as a guide for resource planning and to help set customer expectations for the engagement. These represent the number of working hours in order to complete an engagement (based on an estimate of eight hours per day), not total overall project time (start to finish in consecutive calendar days).

Delivering an engagement faster or slower than the level estimates will not change the incentive fee associated with the engagement, although opportunities which have been approved for the incentive may have such approval withdrawn if the engagement is not meeting established milestones toward completion.

Additional detail in the in the Appendix Resource Table.

SAM Incentive – PC & Server Count

PC Count applies to the following engagement types:

- Cloud Productivity
- SAM for GDPR
- Infrastructure Optimization
- Cybersecurity Assessment
- Partner Enablement

Server Count applies to the following engagement types:

- Server Optimization

Physical Server Count applies to the following engagement types:

- SAM for Hosting (SPLA)

Additional details are found in the SAM Incentive Rates & Engagement Levels document on MPN.

SAM Incentive – Engagement Statement of Work (SOW)

The specific requirements for incentive payment vary by SAM engagement type, and are defined in the Statement of Work (SOW) document for each engagement type. SAM Partners are required to follow and fully complete the requirements and timelines outlined in the SAM Incentive SOW prior to payment of the associated incentive.

Customers who **do not** agree to disclose the information needed for the Partner to prepare and deliver the requirements outlined in the SAM engagement's SOW are **not** eligible for this incentive.

SOW Outline:

1. Description - This section contains the description of the specific SAM engagement
2. Inputs: Provides SAM engagement data collection input requirements for Customer's premise(s).
3. Data Collection – Provides a minimum list of required steps Partners must take to ensure satisfactory levels of completeness and accuracy to build the basis for the required analysis and customer deliverables.
4. Analysis - Based on the inputs and data collection, this section provides partner requirements related engagement analysis, review and Customer agreement.

5. Deliverables – Provides a timeline and list of engagement deliverable due to Microsoft and the customer that must be provided as necessary Proof of Execution (PoE) in order for the Partner to collect payment.

SAM Incentive – Customer Criteria

Proposed SAM engagements are associated with the Customer account and not purchase or agreement type. The SAM engagement intent is to provide complete visibility across all Microsoft software deployments regardless of volume or type of agreement. Partners may request a SAM Engagement Incentive for Customers that meet the following criteria.

1. Customers are eligible to receive (1) SAM Incentive funded engagement within any 12-month period.
   - For exception to this requirement, please contact your SAM EM. The SAM EM will review the customer eligibility, engagement type, and alignment with Microsoft SAM strategy as well as other criteria when considering additional incentive requests.
2. Partners may request a SAM Incentive for eligible engagement types with customers who meet the required number of desktops or servers as defined by the engagement level.
3. The SAM Engagement Manager (EM) will review customer eligibility, as well as other local criteria when considering the SAM incentive request.

SAM Incentive – Customer (Multinational)

The SOW for each of the SAM Incentive engagements has been written to cover the customer's entire global organization, rather than individual locations or contracts. Where the customer has offices in multiple geographies, it is critical that we take the time to ensure agreement and coordination of all customer, Partner and Microsoft team members around the world before undertaking such an engagement.

When an opportunity is submitted for a SAM Incentive engagement with a customer that is part of a multinational organization, the country listed in the opportunity should reflect where the onsite Executive Overview presentation will be delivered at the end of the engagement. The opportunity will be routed to the corresponding SAM EM, who will be responsible for coordination with their peers in other geographies where the customer has offices before approving any request to perform an engagement under this program. As such, the normal SLA for opportunity approval or rejection will not apply to these situations; as each of these scenarios is different, the SAM EM will instead provide regular updates to the Partner on the status of the request.

It is recommended that in cases where an opportunity is under consideration which involves a multinational customer, that the Partner discuss the opportunity with the Microsoft SAM EM before submitting the opportunity in Connect, as these can often be more complex and may involve additional considerations outside this program.

SAM Incentive – Public Sector Customers

Partners may not earn Advisory Fees for Software Asset Management Incentives for transactions involving Public Sector customers if the customer resides in one of the restricted countries listed in the Public Sector Country Ineligibility List, located on MPN at aka.ms/partnerincentives.

SAM Incentive – Customer Satisfaction

Driving changes to customer process, infrastructure and behavior that will result in long-term value requires maintaining customer satisfaction throughout all SAM incentive engagements. It is critical that we ensure that SAM incentive engagements provide customers with value that goes well beyond a single point-in-time inventory.

Customer satisfaction surveys will be sent from Microsoft directly to customers after the completion of every engagement through an automated process. It is optional for customers to respond to the survey they receive, but Microsoft will review all responses received as part of our quality assurance process. Where a customer survey is received, which indicates an area of customer concern, the SAM Engagement Manager (EM), as well as the local SAM team will be notified. If a Partner repeatedly receives low customer satisfaction scores, they may be removed from the SAM Incentive Program. Final decisions concerning Partner suspension or termination from the SAM Incentive Program will be made at the sole discretion of the Worldwide SAM Program Lead.

SAM Incentive – Partner Participation

Microsoft sets criteria requirements for all partners requesting participation in the SAM incentive program. These criteria are written to reflect the SAM engagement delivery requirements and customer value expectations and are consistent across all geographies and for all partners.

SAM Incentive – Partner Eligibility Criteria

SAM Partners with active and enrolled status in the SAM incentive program in FY18 will continue to be eligible for SAM incentives in FY19 and then must meet the below criteria by July 1, 2018 to be eligible for FY19 SAM Incentives.

FY19 partners currently not enrolled in the SAM Incentive program must meet the below SAM Incentive criteria to be eligible for SAM Incentive onboarding.

#	Eligibility Requirements	Specific Criteria

1	One Microsoft MPN Competency
	or
	One Microsoft Action Pack Subscription
		• Partner Competency Status = (Active-Earned, Active Pre-Approved)
		  ○ More Info: *MPN Competency Status*
		  ○ Partners can inherit Competency status from HQ location
		• Microsoft Action Pack Subscription Status = Current
		  ○ More Info: *MPN MAPS Subscription*

2	Two Full Time Partner employees	• FTE's must be employees of the company which is named in the opportunity and meet the above SAM Incentive requirements. • Subcontractors do not fulfill this requirement.

3	Four SAM Eligibility Exams Passed	• SAM Partner Eligibility Exams:
		  ○ SAM Core (70-713)
		  ○ Volume Licensing (70-705) or (74-678)
		  ○ Elective Exams (Partner Chooses 2 exams)
		    ▪ Cloud Fundamentals (98-369)
		    ▪ Mobility and Devices Fundamentals (98-368)
		    ▪ Security Fundamentals (98-367)
		    ▪ SCCM & Intune (70-696)
		    ▪ Managing Office 365 Identities and Requirements (70-346)
		    ▪ Enabling Office 365 Services (70-347)
		    ▪ Managing Microsoft SharePoint Server 2016 (70-339)
		    ▪ Managing Projects and Portfolios with Microsoft PPM (70-348)
		    ▪ Managing Projects with Microsoft Project 2013 (74-343)

4	Partner Management Status	• Partner Actively Managed by Microsoft resource, at the global or local level

SAM Incentive – Partner Eligibility Review

Contact your local SAM EM to initiate the SAM Incentive Partner eligibility review.

At time of the Eligibility Review:

- Partners who meet all Incentive eligibility requirements are considered "Eligible".
- Partners who are missing any eligibility criteria are considered "Not Eligible" for that period.

SAM Incentive – Onboarding & Account Setup

Once a Partner's eligibility for participation in the SAM Incentive Program is verified, they will receive an invitation from their SAM Engagement Manager to participate in the monthly onboarding process. Microsoft provides a monthly onboarding period to add Partners that have satisfied the SAM incentive eligibility criteria.

To begin creating opportunities in Connect and registering SAM Incentive requests on those opportunities, Partners are required to complete registration and account setup for the following Microsoft systems.

1. CHIP – Enroll in the Channel Incentives Platform
    - Enrollment in the CHIP web portal is required for participation in the SAM Incentive Program. Additional detail is in the Appendix Resource Table on MPN resources to complete eligible opportunities in CHIP.
    - If the partner's banking profile in CHIP is missing or incomplete, or required tax forms have not been received by Microsoft, payment will not be disbursed. The Microsoft Operations Center will identify opportunities not disbursed for this reason each month and work with the SAM EM to follow up with the partner regarding next steps to correct the necessary information.

2. Connect – Activate the Partner in PSC
    - Completing CHIP automatically activates "SAM Incentives" in Connect approximately **1 week** after enrollment. Instructions on accessing Connect for the first time can be found here: https://support.microsoft.com/en-us/kb/3185942
    - Activation of the Incentive feature occurs only after partner completes enrollment into the SAM Services Incentive Program via CHIP.

SAM Incentive – Eligibility Monitoring

Partner eligibility for the SAM Incentive is assessed annually in alignment with the incentive program's refresh cycle. Partners who successfully meet all the criteria are enrolled for the entire year.

- Please note: Enrolled Partners may need to meet specific criteria before Microsoft can approve and release incentive payments.
- All Partners will be reviewed annually to confirm eligibility status per the Incentive Guide. In addition to the annual review, a Partner may be reviewed on a rolling (e.g. monthly, or quarterly) basis. At the time of Eligibility Review:
- Partners who meet all Incentive eligibility requirements are considered "Eligible".
- Partners who are missing any requirements are considered "Not Eligible" for that period.

SAM Incentive – Loss of Eligibility & Termination

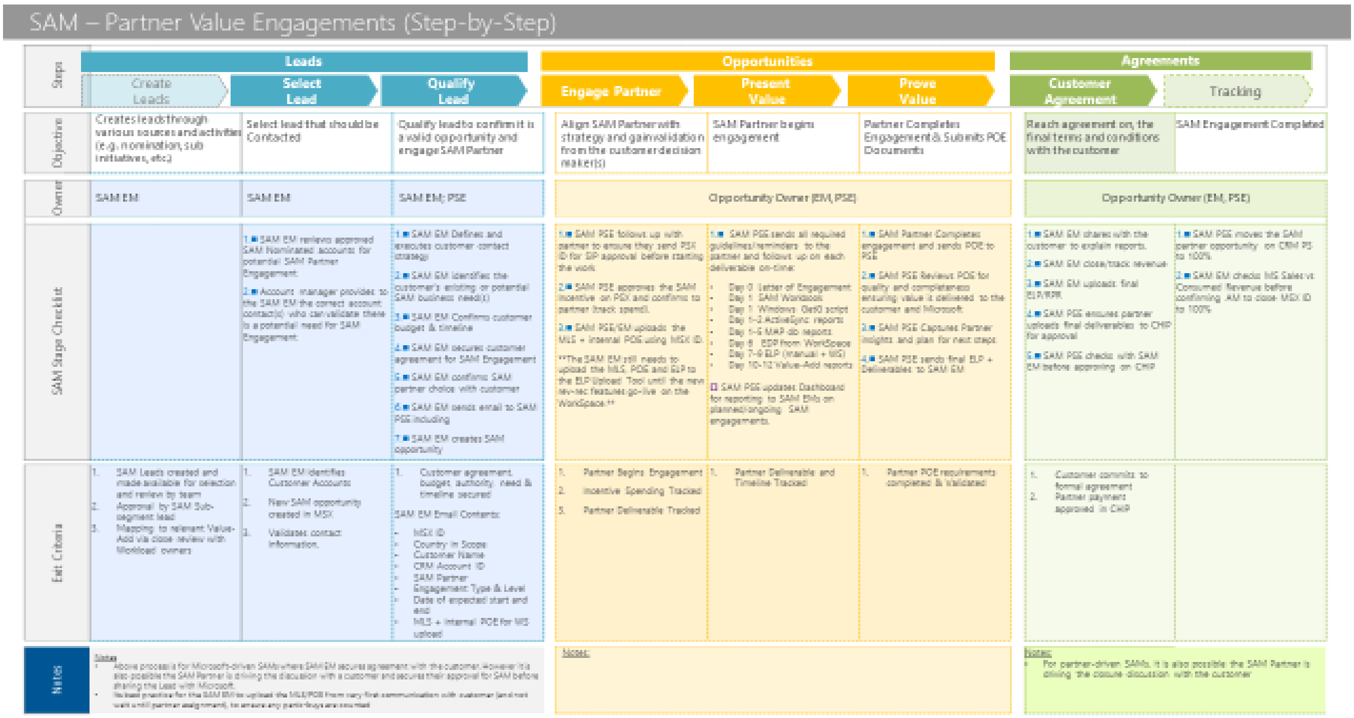
Per the Microsoft Channel Incentive Agreement (MCIA), in the event the Partner breaches any terms of the agreement, Microsoft may deny, suspend, or terminate Partner from Incentive. In addition, Microsoft may cancel or withhold incentive payments. Written notice will be provided to Partner prior to any decision to cancel or withhold payment.

Partners who no longer meet eligibility criteria during the Eligibility Review become "Not Eligible" to earn incentives, and will be paid as follows:

Incentive Type	Treatment
Deal Registration/ Incentive Request	• Validated incentive requests prior to loss of eligibility will remain active for the life of the incentive request. • Partner ability to create new incentive requests will be removed from Partner Center Sales Connect (Connect) upon loss of eligibility. If incentive requests were made after the loss of eligibility, those incentive requests will be declined by Microsoft.

SAM Incentive – Engagement Process

As indicated in the chart below, there are clear steps in the SAM Incentive Engagement Process for both Microsoft and the SAM Partner. Each will be covered in-depth in this guide.



Each step features a detailed description of the process as well as a summary table at the end that provides key actions per role and desired outcomes. Use this summary table as a guide and you will be able to quickly identify your key actions and the desired outcome of each step in the process.

Step 1 – Create Leads

Step	Description	Owner
• Objective	• Create leads through various sources and activities (e.g. nomination, sub initiatives, etc.)	• SAM EM
• Exit Criteria	• SAM Leads created and made available for selection and review by team • Approval by SAM Sub-Segment lead • Mapping to relevant Value-Add via close review with Workload owners	• SAM EM

Step 2 – Select Leads – Microsoft Generated Opportunity (MGO)

Step	Description	Owner
• Objective	• Select lead that should be Contacted	• SAM EM
• Checklist	• SAM EM reviews approved SAM Nominated accounts for potential SAM Partner Engagement • Account manager provides to the SAM EM the correct account contact(s) who can validate there is a potential need for SAM Engagement	• SAM EM
• Exit Criteria	• SAM EM identifies Customer Accounts • New SAM Opportunity created in MSX • Validates contact information.	• SAM EM

Step 2 – Select Leads – Partner Generated Opportunity (PGO)

Step	Description	Owner
• Objective	• SAM Partner created Opportunity is registered in Microsoft Connect/CRM Online where it can be tracked and managed	• SAM Partner
• Checklist	• Partner created Opportunity is registered in Microsoft Connect/CRM Online where it can be tracked and managed • SAM Incentive opportunity routed to appropriate SAM EM via WW Corp SAM Team • SAM EM reviews approved SAM Nominated accounts for potential SAM Partner Engagement • Incentive request has been registered which, if approved, will facilitate partner payment from CHIP system	• SAM EM • SAM Partner • WW Corp SAM Team
• Exit Criteria	• Partner created Opportunity is registered in Microsoft Connect/CRM Online where it can be tracked and managed • Incentive request has been registered which, if approved, will facilitate partner payment from CHIP system • SAM Incentive opportunity routed to appropriate SAM EM via WW Corp SAM Team	• SAM EM

SAM Incentive – PGO Process

Partner Generated Opportunity – After identifying an opportunity for a SAM Engagement, the SAM Partner must:

1. Register a new Deal within Connect
    - The deal registration process in Connect is the Partner's point of entry into the SAM Incentive Program. Information collected must support the minimum data set to register a SAM opportunity and request an incentive based on the defined deliverables. This information can be accessed and utilized by Microsoft sales and support staff throughout the opportunity lifecycle.
    - Deal registration initiated by the Partner must comply with the opportunity and incentive request process defined. These deals will be managed as they progress

through the engagement lifecycle: Deal Registration, Opportunity Validation/Performance Tracking, and, finally, Delivery Completion. Opportunities may also be created by the Microsoft SAM Engagement Manager and assigned to an eligible Partner under this program.

2. Complete the mandatory fields within the newly created deal in Connect to provide mandatory information pertaining to the deal. These fields include, but are not limited to:

Connect Deal Field	Description
Deal Name	Free form name to refer to the opportunity
Customer Name	Customer Company Name to which deal is assigned
Expected Close	Estimated date for SAM engagement completion. Automatic default is set to 90 days, and may be adjusted as needed.
Deal Role	Current sales stage as defined in Microsoft Solution Selling Process. Partner should set new SAM Incentive opportunities to "20%".
Deal Registration Type	Request SAM Incentive (Cloud Productivity, SAM for GDPR, Cybersecurity Assessment, Infrastructure Optimization, Partner Enablement, Server Optimization, SAM for Hosting (SPLA)) for the opportunity.

Table 1: Connect Deal Fields and Descriptions

Please review **the Appendix** for a more detailed breakdown of the Connect process.

SAM Incentive – Opportunity Sharing

The partner has now completed all Connect Deal Fields. Once the Partner clicks "**Register"** on the Deal Record in Connect, the opportunity becomes visible to the WW Corporate SAM Team that will route the opportunity to the partner's local SAM Engagement Manager for approval.

The date and time at which the partner requests the incentive is referred to as the "Incentive Request Date". The "Incentive Request Date" is critical for a number of reasons including, but not limited to:

- It provides distinguishing information in the event of similar/duplicate opportunities.
- It triggers the 30-day business rule (see below).

SAM Incentive – 30 Day Rule

A minimum of 30 days must elapse between the date when the partner requests the incentive (NOTE: this is not necessarily the same as the opportunity creation date) and the date when the SAM EM marks the partner's submitted Proof of Execution (POE) materials as reviewed and approved in CHIP to trigger partner payment.

SAM Incentive – Opportunity Validation

The SAM EM will validate business rules as defined below to determine whether an opportunity meets the minimum requirements to be considered eligible.

The SAM EM will review and validate the following when considering SAM Incentive opportunities.

MSX Opportunity Field	Description
Opportunity Name	Brief description of the customer and opportunity name
Opportunity Description	Summary of the issues prompting the customer to seek a SAM engagement, and the opportunity for a solution
Customer Organization Name	The customer to which the opportunity applies
Primary Customer Engagement Location	Based on where the Executive Overview presentation will be delivered at the end of the engagement
Engagement Type	Cloud Productivity, SAM for GDPR, Cybersecurity Assessment, Infrastructure Optimization, Partner Enablement, Server Optimization, SAM for Hosting (SPLA)
Due Date	Expected date of engagement completion.
Incentive Business Rules	• Customer & partner program eligibility requirements • Proposed SAM engagement type • Account history, including any past SAM engagements completed within the last (12) months. • Other work currently under way with customer • Customer's Partner preference for engagement delivery • Additional information or criteria as appropriate for the account or local market

Table 2: SAM EM MSX Opportunity Validation

The SAM EM or local SAM Lead can reject proposed engagements that do not align with the customer's needs or Microsoft strategy. If the request for the SAM Incentive for that opportunity is rejected, the SAM EM will send notice to the partner via email within **(3)** business days following such determination. In such cases, the partner may proceed to deliver the engagement, but will not be eligible for a SAM Incentive for that engagement.

Description of Process

The SAM EM will screen all opportunities registered for SAM Incentives and determine "SAM Eligible" opportunity status based on opportunity compliance with eligibility requirements included in the SAM Guides.

If, at this point, an opportunity fails to satisfy any of the SAM Eligibility requirements, the SAM EM will provide an "Opportunity Non-Eligible Status" notice via email to the partner detailing the reasons for declining the incentive request and actions that would need to be completed to reconsider the opportunity, if applicable.

- SAM EM should provide "Opportunity Non-Eligible Status" notice *via email* to Partner within (3) business days from the date the opportunity is created by the partner
- SAM EM will provide email support for partner's additional questions

Provided an opportunity complies with SAM Eligibility requirements and there are no conflict scenarios identified by the SAM EM, the opportunity moves to the next step: SAM Incentive approval.

Validating SAM engagement activities & SAM Incentive approval

The purpose of this step is to determine approval of the SAM Incentive for an opportunity that has been validated as eligible by the SAM EM.

The following chart represents this process.

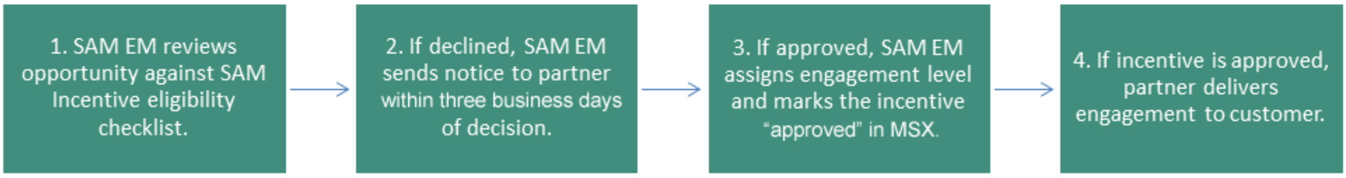


Figure 1: Opportunity Review & Approval Process

SAM EM Assigns the SAM Engagement Level

If the SAM EM determines that a SAM incentive request is to be approved, they must assign the SAM Engagement Level local attribute before approving the SAM Incentive request. Based on the customer profile and the estimated number of desktops or server, there is an estimated timeline for delivery of each potential SAM engagement type. Based on that estimated timeline, each opportunity will be assigned an Engagement Level by the SAM EM. This Engagement Level, in conjunction with the customer's geographic location, will determine the incentive rate paid to the partner. Once the opportunity is determined to be eligible, the SAM EM will identify the appropriate Engagement Level and update the opportunity record internally.

IMPORTANT: Rate Determination When Engagements Cross Fiscal Years

When the SAM Partner accepts, or registers an opportunity in Connect and the opportunity migrates to MSX the current fiscal year rate will be locked in from that date. This date is reflected as the Registration Date in MSX. When a Partner delivers a SAM Engagement that crosses over into the next Microsoft fiscal year, the incentive rate applied will be the rate at the time the incentive request was registered by the Partner.

You can find the Engagement Levels and Engagements Rate table included in the SAM Incentive Rate Workbook located on MPN, located in the Appendix of this document.

Step 3 – Qualify Leads

Step	Description	Owner
Objective	• Qualify lead to confirm it is a valid opportunity and engage SAM Partner	• SAM EM
Checklist	1. SAM EM Defines and executes customer contact strategy 2. SAM EM identifies the customer's existing or potential SAM business need(s) 3. SAM EM Confirms customer budget & timeline 4. SAM EM secures customer agreement for SAM Engagement 5. SAM EM confirms SAM partner choice with customer 6. SAM EM creates SAM opportunity	• SAM EM
Exit Criteria	• Customer agreement, budget, authority, need & timeline secured o SAM EM Email Contents: o MSX ID o Country in Scope o Customer Name o CRM Account ID o SAM Partner o Engagement Type & Level o Date of expected start and end o Internal POE for IAM document upload	• SAM EM

Step 4 – Engage Partner

Step	Description	Owner
Objective	• Align SAM Partner with strategy and gain validation from the customer decision maker(s)	• SAM EM
Checklist	1. SAM EM follows up with partner to ensure they send Connect ID for approval before starting the work 2. SAM EM approves the SAM Incentive in MSX and confirms to partner (track spend). 3. SAM EM uploads internal POE using MSX ID	• SAM EM
Exit Criteria	• Partner Begins Engagement • Incentive Spending Tracked • Partner Deliverable Tracked	• SAM EM

Step 5 – Present Value

Step	Description	Owner
Objective	• Align SAM Partner with strategy and gain validation from the customer decision maker(s)	• SAM EM
Checklist	• SAM EM sends all required guidelines/reminders to the partner and follows up on each deliverable on-time: o Day 0 Letter of Engagement o Day 1 SAM Workbook o Day 1 Windows GetG script o Day 1-2 ActiveSync reports o Day 1-5 MAP db reports o Day 6 EDP from IAM o Day 7-9 ELP (manual + IAM) – *Optional* o Day 10-12 Value-Add reports o SAM EM updates Dashboard for reporting on planned/ongoing SAM engagements.	• SAM EM
Exit Criteria	• Partner Deliverable and Timeline Tracked	• SAM EM

SAM Engagement – Delivery

The SAM EM will work with the Partner to manage the opportunity in accordance with their standard pipeline management practices. This may include:

- Confirmation that the customer has received the Letter of Engagement and wants to proceed
- Periodic updates on project delivery to ensure it continues to move forward toward planned completion date
- Validation that the Executive Overview presentation has been delivered and all required POE deliverables have been received by the customer
- Review of all required POE deliverables for quality and completeness

In some cases, if an engagement misses' milestones or fails to make timely progress toward the planned completion date, the incentive approval may be withdrawn. Prior to doing so, the SAM EM may discuss any concerns with the Partner to see if there is an opportunity for the Partner to continue the required work to complete the engagement. The Partner will receive an email which provides at least (30) days' notice prior to incentive approval withdrawal.

Note: If incentive approval is withdrawn, the Partner will not be eligible for any compensation toward the partial engagement.

All POE materials may then be further reviewed by the SAM Quality Control (QC) team for program compliance.

Step 6 – Prove Value

Step	Description	Owner
Objective	• Partner Completes Engagement & Submits POE Documents	• SAM EM
Checklist	• SAM Partner Completes engagement and sends POE to SAM EM • SAM EM Reviews POE for quality and completeness ensuring value is delivered to the customer and Microsoft • SAM EM Captures Partner insights and plan for next steps • SAM EM Capture final ELP + Deliverables •	• SAM EM, • SAM Partner
Exit Criteria	• Partner POE requirements completed & Validated	• SAM EM

SAM Engagement – POE Review

Upon successful completion of the engagement, the Partner will provide the required engagement deliverables to the SAM EM by uploading them to the opportunity in CHIP.

The SAM EM will review them and validate that the work is complete. Such validation may include discussions with the customer or other Microsoft account team members as the SAM EM deems appropriate. Once the SAM EM has completed a thorough review of the required POE deliverables, the SAM EM will update the opportunity to the required Sales Stage in MSX and certify that the Engagement and POE meet required criteria and completeness in CHIP, to indicate that they are satisfied that the defined SOW has been fulfilled.

Additional Quality Assurance (QA) may be performed against Partner provided POE materials following engagement close. On occasion, additional information may be requested as part of the Quality Assurance review process for completed engagements (for example, the MCP ID of eligible consultants).

Engagements which fail any portion of the QA review may result in a temporary suspension of the Partner's participation in the SAM Incentive Program. Partners who are temporarily suspended will be provided an opportunity to correct the noted errors, where appropriate. Partners who repeatedly fail QA review may be permanently terminated from this program. Final decisions concerning Partner suspension or termination from the SAM Incentive Program will be made at the sole discretion of the Worldwide SAM Incentives Program Lead.

Step 7 – Customer Agreement

Step	Description	Owner
Objective	• Reach agreement on, the final terms and conditions with the customer	• SAM EM
Checklist	• SAM EM shares with the customer to explain reports. • SAM EM close/track • SAM EM uploads final ELP/RPR • SAM EM ensures partner uploads final deliverables to CHIP for approval • SAM EM approves on CHIP	• SAM EM • SAM Partner
Exit Criteria	• Customer commits to formal agreement • Partner payment approved in CHIP	• SAM EM

Step 8 – Tracking

Step	Description	Owner
Objective	• SAM Engagement Completed	• SAM EM
Checklist	• SAM EM moves the SAM partner opportunity in MSX to 100% • SAM EM checks MS Sales vs Consumed Revenue before confirming AM to close MSX ID to 100%	• SAM EM • SAM Partner
Exit Criteria	• Engagement Completed	• SAM EM

For a step-by-step system walkthrough of this process, see the appendix.

SAM Incentive - Calculation & Payment

SAM Incentive – Payment Calculation

Using the defined fee schedules, the Microsoft Regional Operations Centers will calculate and process the associated incentive fees, with payments being issued on a monthly basis.

Opportunities must have all of the following attributes in order to appear in this payment approval report:

1. Approved SAM Incentive
2. SAM Engagement Level local attribute
    - Rate level is set for the engagement at the time the Incentive is approved in MSX.

3. "EM Review" checkbox must be checked and submitted by EM in CHIP

* Please be aware the retired engagements (Baseline Review, Mobile Device Management, Non-Production Environments and Deployment) won't be calculated for payment for deals created after June 30th, 2018. *

SAM Incentive – Payment Timing & Cadence

Payment will be rendered by Microsoft within 35 days from the end of the month following EM certification of Engagement completeness in CHIP in which payment request was created.

- **Example:** Engagements certified (payment request created) in March, will be executed by Microsoft on 5th May.

Depending on the country (or countries) and bank(s) involved, the Partner's bank may, in some cases, take an additional 5 – 20 days to reflect the disbursement in the Partner's bank account.

Important Note Regarding Taxes - The Incentive that the Partner receives includes any applicable goods and services tax, value added tax, sales tax, gross receipts tax, or any other tax that is applicable as a result of the services that the Partner provides. It is solely the Partner's responsibility to pay all applicable taxes related to the Incentives it receives.

To comply with local regulatory requirements for some countries when applicable, Microsoft will hold incentive payments until a partner submits a tax invoice to Microsoft, which acts as an incentive claim. In such instances, partners are notified of invoice requirements at the time when the incentive payment is ready for disbursement.

For partners that have missing portions of the required payment documentation, such as tax form, bank detail and/or invoice, Microsoft will continue attempting to make payment in the upcoming pay cycles in the next 180 days after the initial payment run. After 180 days of the original expected payout date, if Microsoft still does not have the required payment documentation to process the payment, the incentive payment will be forfeited, subject to the laws in the partner's country, and no further notification will be sent to the partner.

Unless provided otherwise, the amounts Microsoft shall pay to partners are inclusive of all taxes.

SAM Incentive – Minimum Payment Threshold

If the calculated incentive payment is below the minimum threshold of $200 USD, a monthly payment will not be generated. Once a partner's cumulative Software Asset Management Incentive reaches $200 USD (or partner country billing currency equivalent), Microsoft will pay the accumulated incentive during the next regular payment cycle. At the end of the program year, calculated amounts below $200 are considered unearned and will be forfeited i.e., Microsoft will not pay amounts below the minimum threshold to partners and will not carry over any amounts to the next program year.

SAM Incentive – MileStone Payment Calculation

A MileStone payment schedule has been implemented for Partners to be able to receive a partial payment while delivering the engagement to the customer, receiving the 2nd payment once the engagement has concluded and the POE verified and approved in CHIP by the SAM EM. MileStone functionality can be switched on or off for Partners where agreed to do so by the SAM EM.

Once MileStone payment is selected, then the total payment amount will be divided into two payments among which 50% of the total incentive amount will be paid at the end of MileStone1 and the remaining 50% at the end of MileStone2.

The partner is required to submit required POE documents individually for both MileStone1 and MileStone2. The POE requirements to meet MileStone 1 payment is to provide the signed Letter of engagement and upload into CHIP. All remaining deliverables to Microsoft required by the SAM engagement statement of work are required to meet the MileStone2 payment. The partner can upload POE Documents for MileStone2 even if the MileStone1 documents are not yet approved. Once documents of MileStone1 are reviewed and approved by SAM EM, payment request for MileStone 1 will be created. Only after the documents of MileStone1 are reviewed and approved, the SAM EM can review MileStone2 documents.

If the payment schedule is set to All MileStones, then the total payment amount will be paid as a single payment. The Partner is required to submit the required POE documents applicable for the engagement type. In case the POE documents uploaded by the partner satisfies only the conditions of MileStone1 then, while reviewing the deal, the SAM EM has an option to change it from “All MileStone” to “MileStone1”.

SAM Incentive – Support & Escalation

SAM Partner Portal

Information on the SAM Program, Engagement Types and supporting program documentation can be found on the MPN SAM Partner site listed in the Appendix.

Microsoft Contact

Primary support for the SAM Program (e.g. Program Information, Engagement Management, Incentive Request Approvals etc.) is provided by your local SAM Engagement Manager.

SAM Payment – Questions

For questions, such as Calculation, Payment, CHIP system issues etc. support is aligned by your Regional Operating Center (ROC) which can be contacted in a number of ways:

1. **The Microsoft Channel Incentive** Portal - Link
2. **The Call Logging Tool (CLT)** *Link*
   (for Transactional Partners)

CLT – Using the Call Logging Tool for SAM Queries into ROCs

If you have questions regarding requesting and viewing SAM incentives, payment status, or incentive payment calculation, please use the Call Logging Tool in explore.ms. Below are the steps required to submit an incentive inquiry to Microsoft through the CLT.

1. Select your country from the Country options
2. Select **Commercial** as the Business Stream
3. Select **Channel Incentives** as your Program option
4. Select **Inquiry** as the Type
5. Select **Partner Compensation** as the Reason
6. Select **Compensation Status Update** as the Sub Reason, and enter **SAM Inquiry** in the subject line

SAM Incentive – Payment Support

Chat Support Hours are:

- Europe – 08.15 to 17.00 (GMT)
- Asia Pacific – 08.30 to 17.30 (SGP)
- Americas – 08.00 to 17.00 PST

Emailing your local ROC

- Europe – erebates@microsoft.com
- Asia Pacific – apocchi@microsoft.com
- Japan – apoccij@microsoft.com
- Americas – ciquest@microsoft.com

SAM Incentive – Payment Dispute & Resolution

Partners can submit disputes via the Call Logging Tool (explore.ms). Disputes need to be submitted in a timely manner. Partners have up to (90) days post payment to submit a dispute.

SAM Incentive – Overpayment

Overpayment may occur due to various reasons: calculation error, payment processing error, incorrect Engagement Type/Level, POE not validated appropriately etc. In the event of an overpayment Microsoft will proceed with the recovery of an overpayment in accordance with the Microsoft Channel Incentive Agreement.

Microsoft will generally attempt to recover overpayment by offsetting against future incentive payments earned. If for any reason such approach cannot be executed (e.g. Partner is no longer participating in an Incentive), Microsoft reserves the right to invoice Partner for the overpaid amount directly.

Alternative Recovery options:

- Partner may be offered an option to repay the overpaid amount directly to Microsoft. Such option can be offered by EM/OAM if it is a partner preference to return the overpayment vs.

seeing adjustment to future earnings. The default recovery approach is an adjustment to future earnings.
Following receipt of a request from the partner, Microsoft may agree to spread out recovery of the overpayment over a number of earning periods but not exceeding 180 days in total.

SAM Incentive – Partner escalation paths for All Programs

To enure the best experience to our partners on any partner incentives queries and escalations, we would like to remind you of the paths that need to be followed. Please familiarize yourself with these official escalation paths before raising any query. Ensure you are familiar with the SAM Partner Portal. These can be found thru the MPN Portal under http://aka.ms/samincentives

1. Review available resources: like this Guide, Appendix links and readiness materials located in http://aka.ms/samincentives
2. If response not found Submit a CLT or write to local ROC
    - Europe – erebates@microsoft.com
    - Asia Pacific – apocchi@microsoft.com
    - Japan – apoccij@microsoft.com
    - Americas – ciquest@microsoft.com
3. If response is inaccurate and would like to dispute, rely back to same email adding the escalation alias added by ROC to the closing email
4. If delays or level of response doesn't suffice include your SAM EM for an expedited resolution

Appendix: Resources

The links within the appendices of this guide will assist you with the required systems, engagement deliverables and pricing structure for the SAM Incentive program.

#	Title	Content	URL
1	**SAM Overview**	External website covering SAM basics. High focus on customer value proposition.	http://www.microsoft.com/sam
2	**SAM Partner Portal & Resources**	Partner facing MPN site providing SAM Incentive Support Documentation: • SAM Incentive Program Guide • SAM Engagement Levels & Incentive Rates • SAM Incentive Engagement Types & SOW's • SAM Partner Training Materials • SAM Partner Templates and additional resources	http://aka.ms/samincentives
3	**Partner Sales Connect (PSC)**	Partner facing CRM tool for registering SAM Engagement opportunities	https://partnersales.microsoft.com
4	**Partner Sales Connect Resources**	Connect resources and guidance for SAM Partners	https://assets.microsoft.com/en-us/sam-incentives-resources.zip
5	**CHIP – Channel Incentives Platform**	Partner facing tool to upload engagement POE and review payment status for approved opportunities	https://channelincentives.microsoft.com/CHIPUI/
6	**CHIP – Channel Incentives Platform Resources**	CHIP Guides & Process 1. Channel Incentives Platform (CHIP) – MS Profile Setup 2. Channel incentives Platform (CHIP) – Partner Profile Setup 3. Partner Banking Setup Details	http://aka.ms/partnerincentives
7	**SAM Case Studies**	Customer Case studies on SAM engagement and partner value delivery	https://www.microsoft.com/en-us/sam/resources.aspx
8	**Promote your Company**	Microsoft Partner Center	https://partnercenter.microsoft.com/en-us/pcv/search
9	**Microsoft Licensing Training**	Microsoft Licensing Training	https://getlicensingready.com/
10	**SAM Core - Exam 70-713 Details**	Microsoft Learning overview of the SAM Core MCP exam	https://www.microsoft.com/en-us/learning/exam-70-713.aspx
11	**MAP Toolkit**	Microsoft Assessment and Planning (MAP) Toolkit	http://www.microsoft.com/map
12	**Microsoft Intune**	Microsoft Intune	http://www.microsoft.com/windows/windowsintune/default.aspx
13	**Microsoft Counterfeit Product Training**	How to tell counterfeit	http://www.microsoft.com/en-us/piracy/default.aspx