

# Annual Software License Expense Analysis

**DeepShield Systems, Inc.**

Fiscal Year 2023

Document Reference: FIN-2023-SLA-001

## 1. Executive Summary

This analysis provides a comprehensive review of DeepShield Systems, Inc.'s ("Company") software license expenditures for fiscal year 2023, including enterprise-wide licenses, development tools, and operational software subscriptions. Total annual software license expenses amount to \$2,847,500, representing 8.76% of annual revenue.

## 2. License Categories and Expenditure Breakdown

### 2.1 Development and Engineering Platforms

- Industrial Control System (ICS) Development Suites: \$485,000
- Integrated Development Environments (IDE): \$178,500
- Source Code Management Systems: \$95,000
- Continuous Integration/Deployment Tools: \$156,000
- Testing and Quality Assurance Platforms: \$167,000

### 2.2 Cybersecurity and Monitoring Tools

- Network Security Analysis Platforms: \$425,000
- Threat Intelligence Feeds: \$285,000
- Vulnerability Assessment Tools: \$198,000
- Security Information and Event Management (SIEM): \$245,000
- Penetration Testing Suites: \$115,000

### 2.3 Operational Software

- Enterprise Resource Planning (ERP): \$195,000
- Customer Relationship Management (CRM): \$125,000
- Human Resources Information System: \$87,000
- Financial Management Software: \$96,000
- Project Management Tools: \$75,000

### 3. Critical License Terms and Renewal Dates

#### 3.1 High-Priority Licenses

ICS Development Suite (Vendor: IndustrialTech)

- Annual Cost: \$285,000
- Renewal Date: March 31, 2024
- Users: 75 concurrent licenses
- Critical for: Core product development

Enterprise Security Platform (Vendor: SecureStack)

- Annual Cost: \$195,000
- Renewal Date: June 30, 2024
- Coverage: Company-wide deployment
- Critical for: Internal security operations

#### 3.2 Medium-Priority Licenses

Cloud Development Platform (Vendor: CloudSys)

- Annual Cost: \$145,000
- Renewal Date: September 15, 2024
- Usage: Development and staging environments

Maritime Security Framework (Vendor: MarineSecure)

- Annual Cost: \$165,000
- Renewal Date: August 31, 2024
- Scope: Specialized maritime security modules

### 4. Cost Optimization Recommendations

#### 4.1 Immediate Actions

Consolidate redundant development tools (\$85,000 potential annual savings)

Optimize user license allocation across teams (\$120,000 potential annual savings)

Migrate select services to enterprise agreements (\$95,000 potential annual savings)

#### 4.2 Strategic Initiatives

Implement software asset management system

Establish vendor consolidation program

Develop license utilization monitoring framework

## **5. Compliance and Risk Assessment**

### **5.1 License Compliance Status**

- All current licenses maintained in compliance
- No identified violations of license terms
- Regular audit schedule established
- Documentation maintained in compliance repository

### **5.2 Risk Factors**

Critical vendor dependency on ICS Development Suite

License cost escalation clauses in key agreements

Geographic restrictions on certain security tools

Export control considerations for maritime modules

## **6. Budget Allocation FY2024**

### **6.1 Projected Expenses**

- Core Development Tools: \$925,000
- Security and Monitoring: \$1,150,000
- Operational Software: \$595,000
- Contingency Fund: \$275,000

### **6.2 Growth Considerations**

- Additional licenses for planned headcount increase
- New tool requirements for maritime expansion
- Enhanced security suite for compliance requirements

## **7. Authorization and Approval**

This analysis has been reviewed and approved by:

Robert Kessler

Chief Financial Officer

DeepShield Systems, Inc.

Date: December 15, 2023

James Morrison

VP of Engineering

DeepShield Systems, Inc.

Date: December 15, 2023

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