

 <b>PA TURNPIKE COMMISSION POLICY</b> <i>This is a statement of official Pennsylvania Turnpike Policy</i>		<b>NUMBER:</b> 8.05  <b>APPROVAL DATE:</b> 10-18-2011  <b>EFFECTIVE DATE:</b> 11-02-2011  <b>REVISED DATE:</b> 07-01-2025
<b>POLICY SUBJECT:</b>  Software Asset Management and Use Policy	<b>RESPONSIBLE DEPARTMENT:</b>  Information Technology	

**A. PURPOSE:**

The Pennsylvania Turnpike Commission (PTC) licenses the use of computer software from a variety of software vendors. Such software is normally copyrighted by the software developer and, unless expressly authorized to do so, the PTC has no right to make copies of the software except for backup or archival purposes. The purpose of this policy is to prevent copyright infringement, to protect the integrity and productivity of the PTC’s computer environment, and to establish the guidelines for software asset management and software license management.

**B. SCOPE:**

This policy applies to all PTC Authorized Users who have access to Technology Resources.

**C. GENERAL POLICY:**

It is the policy of the PTC to respect all computer software copyrights and to adhere to the terms of all software license agreements to which the PTC is a party. The Chief Technology and Growth Officer (CTO) or designee is charged with the responsibility for monitoring compliance with the policy.

Authorized Users may not duplicate any licensed software or related documentation unless the PTC is expressly authorized to do so by agreement with the licensor. Unauthorized duplication of software may subject Authorized Users or the PTC to civil and criminal penalties under the United States Copyright Act. Anyone found copying software other than for backup or archival purposes is subject to disciplinary action up to and including termination or having their privileges revoked, and/or having appropriate action taken as specified in the contractor’s or consultant’s contract or the contractor’s or consultant’s employer’s contract with the PTC.

Authorized Users may not sell or make available any software to anyone who is not expressly authorized and/or licensed to have access to the software.

Authorized Users may use software on PTC Technology Resources only in accordance with applicable license agreements and in compliance with the terms described under Policy Letter 8.01 Acceptable Use of Commission Technology Resources.

Software operating on PTC Technology Resources must be used in accordance with the manufacturer's licensing agreements. Only software acquired through authorized procurement channels may be used on PTC Technology Resources. The acquisition of shareware/freeware software shall be handled the same way as commercial off-the-shelf software (COTS) products, including payment of shareware fees as appropriate. Authorized Users are not permitted to bring software from home or elsewhere and load it on PTC computers or run it from auxiliary drives.

PTC-owned software cannot be loaded or used on a non-PTC approved device, including a home computer without prior authorization by the CTO or designee. In special circumstances, the CTO with concurrence from the CEO, may authorize the loading of PTC-owned software on non-PTC computers as long as the licenses are properly paid for and recorded.

Under no circumstances are Authorized Users to download, install, copy, access, execute or otherwise employ any of the following: pirated software, unapproved or unlicensed operating systems or software, or software purchased for personal or home use.

#### **D. DEFINITIONS:**

**Authorized User** – Any employee who receives compensation from the PTC on an hourly, daily, or annual basis, including employment on a full time, part time, or probationary basis (“Employees”), and Contractors and Independent Consultants who use or have access to PTC Technology Resources.

**Commercial Off-the-Shelf (COTS)** – ready-made software products that are commercially available to the general public. These products are designed to be easily installed and used with minimal customization or configuration. COTS software is typically developed by third-party vendors and sold to multiple customers, offering cost-effective and time-efficient solutions for common business needs. Unlike custom-built software, COTS solutions are pre-developed and require no extensive development efforts from the purchasing organization.

**Commission Business Applications** – software or a set of programs located on premises or cloud-based that PTC owns or licenses (including software-as-a-service or similar subscriptions) that are used by PTC to perform PTC business functions, support PTC business processes, manage PTC data, or facilitate PTC decision-making.

**Commission Computer Systems** – Hardware and software, both on premises and cloud-based that the PTC owns, rents, controls, licenses or uses to perform PTC business functions and activities, including supporting the function of PTC Business Applications. Computer Systems include but are not limited to individual desktop computers, laptops, tablet computers, servers, virtual machines, routers/switches and other networking devices, wired or wireless telephones, cellular phone, smartphones, etc. and further includes use of the internet, electronic mail (email), instant messaging, texting, voice mail, facsimile, copiers, printers or other electronic messaging through Commission facilities, equipment or networks.

**Commission Technology Resources** as they pertain to this policy include, but are not limited to, the following: all PTC Computer Systems and Business Applications, Information Technology (IT) and Operational Technology (OT) that PTC owns, licenses, rents, controls, or otherwise uses in PTC operations.

**Data Subscriptions** – a service model in which PTC pays a recurring fee to access, receive, or utilize specific sets of data. These subscriptions can provide real-time data, periodic updates, or access to a database of historical information, depending on the terms of the subscription. Data subscriptions are commonly used in various industries to gain insights, support decision-making, and maintain up-to-date information without the need to manage or collect the data independently.

**Freeware** – Software that is unsupported, available free of charge and can be used for an unlimited period of time in a manner consistent with its end-user agreement, yet still retaining copyright protection.

**Informational Technology (IT)** – The entire spectrum of information processing technologies, including software, hardware, communications technologies and related services.

**License Pool** – Groups the total number of licenses purchased by product type, which can be segregated by business unit, funding stream, or other required method. As licenses are assigned or unassigned to users, the pool will be updated to reflect the remaining balance of available licenses.

**Licensed Software** – Proprietary software distributed under a licensing agreement to authorized users only.

**Open Source Software (OSS)** – Software for which the source code has been made available (according to license terms) for review, modification, deployment, and redistribution.

**Operational Technology (OT)** – On premises, cloud-based and vendor managed hardware and software that detects or causes a change through the direct monitoring and/or control of physical equipment, devices, processes, and events across the PTC enterprise.

**Pirated Software** – Software obtained illegally by using, copying or distributing the software without ownership or legal rights.

**Shareware** – Software that is licensed for free (possibly with restricted use or functionality) on a trial basis with the understanding that the user may need to pay for usage after the trial period, or for full usage or functionality. Types of Shareware may include:

- **Adware** – software packages that generate revenue for their developers by rendering and tracking advertisement in the software’s installation and usage, or both.
- **Crippleware** – software packages that disable wanted features or add unwanted watermarking until the user buys a license.
- **Donationware** – software packages that request a donation to be paid to the author or a third-party beneficiary.
- **Nagware** – software packages that persistently remind the user to purchase a license.
- **Freemium** – software packages that offer some features for free while charging a premium for advanced features

**Software** – A set of instructions, data, applications, scripts and programs that run on a device or in the cloud to execute specific tasks. Software may be Commercial Off-the-Shelf (COTS), Shareware, Freeware, or Third-Party Software.

**Software as a Service (SaaS)** – is a cloud computing service model in which software applications are delivered over the internet by a third-party provider. PTC Authorized Users access the software through a web browser, eliminating the need for local installation, maintenance, or management. SaaS applications are hosted on the provider's servers, which handle all aspects of performance, security, and updates. This model allows PTC Authorized Users to subscribe to software on a pay-as-you-go basis, offering scalability, flexibility, and cost-effectiveness, as it reduces the need for significant upfront investment in hardware and software infrastructure.

**Software Asset Management (SAM)** – The process of tracking, monitoring and reporting the use and ownership of software assets throughout their lifecycle, including licenses, versions, and installed endpoints. This includes enterprise software license agreements, subscriptions and commercial software licenses.

**Software License Management (SLM)** – The proactive approach to SAM that enables accurate procurement and deployment of software licenses based on contract entitlements, product use rights, and actual usage.

**Software License Reclamation** – also known as license harvesting, is a component of SAM that involves identifying unused or underutilized software licenses and returning them to a License Pool, so that they can be reallocated to others.

**Software Product Owner** – Technology or business professional responsible for a managing a software product.

**Third-Party Software** – software applications or programs that are developed by vendors or developers other than the original manufacturer of the hardware or the primary software platform. These external developers create software that can be integrated with or run on the primary system, often to provide additional functionality, features, or enhancements that are not available from the original system provider. Third-party software is commonly used to extend the capabilities of existing systems, improve user experience, or address specific needs that the original software does not cover.

#### **E. PROCEDURES:**

**Employee Orientation/Awareness.** New PTC employees shall be made aware of this policy by the Human Resources Department.

**Acquisition of Software.** To purchase or evaluate software, Authorized Users must follow the IT service request process. The request is reviewed by the Information Technology Department to ensure that the software is compatible with existing PTC standards and systems and that it can be maintained and supported. All software acquired by the PTC must be purchased through an approved procurement method. Software acquisition is restricted to ensure that the PTC has a complete record of all software purchased for PTC computers and to evaluate, support and upgrade such software accordingly. Authorized Users may download mobile applications (“apps”) from authorized app stores

maintained by such providers as Microsoft, Google, and Apple. The app stores track and enforce licensing compliance.

Prior to the use of any Software, Software-as-a-Service or Data Subscriptions, PTC shall:

- Ensure there is a negotiated software license or subscription agreement in place or determine that no license agreement is necessary because PTC owns the rights to the software.
- Ensure all applicable agreements have been identified, reviewed, and approved (including, but not limited to, any clickthrough or OSS agreements) by the parties and approved as to form and legality by the Pennsylvania Office of Attorney General.

Prior to the procurement or use of any Software, Software-as-a-Service or Data Subscription, PTC shall:

- Review the terms of the applicable software license or subscription and advise on the potential legal risks associated with its use.
- Review the use case and license terms as identified by the PTC IT and SAM team for potential conflicts with existing license agreements.

Software may only be purchased if there is an existing agreement in place to purchase the specific software or the PTC negotiates a new agreement for the software.

If an agreement cannot be established or the terms of the agreement cannot be successfully negotiated, that software or subscription may not be purchased or used.

PTC shall ensure Authorized Users understand and comply with the applicable terms and conditions, such as any software license or subscription agreement. The SAM team will make the software product owners aware of relevant business terms, such as licensing renewal decision dates.

**Open Source Software (OSS)** must be managed in the same manner as commercial software: PTC must understand licensing requirements and be aware of any changes to these agreements, such as commercialization of such products. These products may be covered under General Public License (GPL), GNU Library or “Lesser” General Public License (LGPL), or MIT License (MIT). Support contracts may be purchased and will be managed in the same manner as other support contracts.

#### **Software License Management:**

The IT Department’s IT Asset Management team is responsible for the following activities:

1. Maintain an up-to-date inventory and provide a real-time view of software licenses. This data will be used to support decision making regarding the purchase of additional software licenses and will assist with rightsizing future renewals.
2. Proactively identify and implement cost savings measures through Software License Reclamation and reallocation of unused or underutilized software licenses.
3. Establish criteria and standards to ensure the proper license is issued.

4. Expedite audit response, maintain compliance with license agreements, and limit operational, financial, and legal risks related to over or under allocation.
5. Understand the various benefits and risks associated with the different licensing, acquisition, and usage models that apply to different software options. (i.e. commercial off-the-shelf (COTS), freeware, shareware, open-source software (OSS)).
6. Understand and adhere to requirements that may apply to various software options and implement procedures to monitor their installation, usage, copying, and disposal in accordance with those requirements.

**Software Asset Management.** Software will be registered in the name of PTC and not individual users. The Software Asset Management team will maintain an inventory of software and their licenses will be maintained, update it regularly, and compare it to the inventory of installed software. Validation and compliance checks will be conducted by the IT Asset Management/Software Asset Management teams in the Information Technology Department. The software license inventory will document the title and publisher of the software, date and source of acquisition, location of installation, and serial number of software. Media, documentation, and serial numbers will be stored securely, with access only available to designated installers and software product owners. Whenever possible, licenses will be harvested from retired machines and redeployed, rather than purchasing new licenses.

**Storage of Media, Proof of License and Serial Numbers.** All media and serial numbers will remain securely stored; with access granted only to staff that require them for software installation and distribution. Serial numbers will not be shared with any staff not authorized to complete installations. Proof of license will be filed in a secure location and will be accessible to the Software Asset Management (SAM) team.

**Periodic Audits.** Electronic client machine audits are conducted regularly or periodically to ensure that the PTC is complying with all software licenses. During an audit, the PTC will search for unauthorized software and flag any that is found. The unauthorized software will be either uninstalled or licensed if there is a business need for the particular software. An Authorized User's use of unauthorized software may be reported to the Authorized User's supervisor and the Chief Technology Officer.

**Reports of Suspected Violations.** Any Authorized User who determines that there may be a misuse of software within the PTC shall notify their department head, the Software Asset Management team within the IT Department, or the CTO.

*This Policy Letter supersedes all previous Policy Letters on this subject.*