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Microsoft Technology for Social Impact (TSI) Grant sunset on Microsoft 365 Business Premium and Office 365 E1 for Nonprofit

Frequently Asked Questions for Nonprofit Partners

Last Update: 09 May 2025

If you get contacted by media or press, please direct them to reactiveissues@we-worldwide.com

Summary

Effective July 1, 2025 Microsoft Business Premium and Office 365 E1 grant offers will be discontinued.

Microsoft 365 Business Premium & Office 365 E1 FAQs

1. Why is Microsoft sunsetting the Microsoft 365 Business Premium grant and Office 365 E1 grant offers?

Our goal in Tech for Social Impact (TSI) is to ensure every nonprofit can benefit from the industry leading solutions that are critical to ensuring the highest level of organizational security and productivity. Microsoft regularly assesses the available grant portfolio, and the Microsoft 365 Business Premium and Office 365 E1 grant offers are being retired to streamline our grant offerings and simplify our grant portfolio. We are transitioning to provide up to 300 granted licenses of Microsoft 365 Business Basic and discounts of up to 75 percent on many Microsoft 365 offers to nonprofits, including Microsoft 365 Business Premium and Office 365 E1. This change only affects those on the grant offer.

2. Is Microsoft changing any other nonprofit grants or pricing?

No. There is no change to the Azure grant, Office 365 E1 grant via Enterprise Agreement, or any of the pricing on our nonprofit offers at this time.

3. When will the Microsoft 365 Business Premium grant be discontinued?

The Microsoft 365 Business Premium grant offer will be discontinued for customers on their next renewal after July 1, 2025. Licenses will expire at the customer's next renewal date on or after this date. For instance, if a customer has a renewal date in October 2025, they can continue to use the grant without restrictions until then.

We will continue to provide a grant of up to 300 granted licenses of Microsoft 365 Business Basic and discounts of up to 75 percent on many Microsoft 365 offers to nonprofits, including Microsoft 365 Business Premium at a cost of \$5.50/user/month. These changes apply exclusively to free licenses and do not impact paid licenses.

4. When will the Office 365 E1 grant be discontinued?

The Office 365 E1 grant offer will be discontinued for customers on their next renewal after July 1st. Licenses will expire at the customer's next renewal date on or after this date. For instance, if a customer has a renewal date in October 2025, they can continue to use the grant without restrictions until then.

We will continue to provide a grant of up to 300 granted licenses of Microsoft 365 Business Basic and discounts of up to 75 percent on many Microsoft 365 offers to nonprofits. Additionally, nonprofits can also sign an Enterprise Agreement with Microsoft and receive up to 2,000 granted seats of Office 365 E1.

These changes apply exclusively to free licenses and do not impact paid licenses.

5. Why are you continuing with the Office 365 E1 grant via Enterprise Agreement and not providing an equivalent E1 grant in CSP?

98% of the nonprofits we serve have fewer than 300 full-time employees so, for simplicity, we are only providing the 300-seat Business Basic grant in Direct and CSP. Because Business Basic and E1 have so much overlap in functionality we did not want to confuse customers with two nearly identical free offers. For the small percentage of nonprofits with more than 300 full-time employees we wanted to give them an opportunity acquire additional free licenses through the Enterprise Agreement. The Business Basic grant offer is not provided via Enterprise Agreement.

6. What alternative options are available for nonprofits currently using these grant offers?

Nonprofits currently using these grant offers can transition to the Microsoft 365 Business Basic grant offer that provides up to 300 granted licenses of Microsoft 365 Business Basic, purchase seats at discounts of up to 75 percent on many Microsoft 365 offers to nonprofits.

If you have more than 300 active users on the legacy Office 365 E1 grant offer, you can also [submit an inquiry](#) and a Microsoft representative will reach out to you.

7. How will data retention be handled for customers transitioning to new offers?

Customers will have a 30-day grace period to access their subscriptions after their renewal date. After that period they will lose access to their license and will have 60 days to activate before their data is deleted, following [standard retention rules](#).

8. What should grantees do if they have more than 300 active licenses of the Office 365 E1 offer?

Nonprofits with more than 300 active users on the legacy Office 365 E1 grant offer can also submit an inquiry [here](#) and a Microsoft representative will reach out.

9. What is Microsoft 365 Business Basic?

Microsoft 365 Business Basic is a cloud-based productivity suite designed for nonprofits. It includes web and mobile versions of Office apps (Word, Excel, PowerPoint, Outlook), custom business email, and 1 TB of OneDrive cloud storage per user. The plan also offers collaboration tools such as Microsoft Teams, SharePoint, and Bookings.



Microsoft 365 Business Basic offers a cost-effective solution for nonprofits to enhance productivity and collaboration. Eligible nonprofits can access Microsoft 365 Business Basic for free for up to 300 users. This plan provides essential tools for managing nonprofit operations, improving communication, and storing data securely in the cloud. It is ideal for nonprofits looking to adopt cloud-based solutions with minimal overhead costs.

10. What are the key features of Microsoft 365 Business Basic for nonprofits?

Key features of Microsoft 365 Business Basic for nonprofits include:

- Web and mobile versions of Office apps: Access Word, Excel, PowerPoint, and Outlook on the web and mobile devices
- Custom business email: Get business-class email with Outlook, including a 50 GB mailbox per user
- Collaboration tools: Use Microsoft Teams for chat, meetings, and collaboration, SharePoint for team sites, and Bookings for scheduling appointments
- Cloud storage: Each user gets 1 TB of OneDrive cloud storage to store and share files securely
- Additional apps: Includes more than 10 additional apps for business needs, such as Planner and Forms

11. What is the Microsoft 365 Business Premium offer for nonprofits?

Microsoft’s Business Premium offer provides nonprofits with a comprehensive suite of tools including advanced security, compliance, identity, and management features at a significantly reduced cost. It also includes Microsoft 365 desktop applications and all of the cloud services included in the Business Basic offer, including Teams, email, and OneDrive cloud storage. Eligible nonprofits get Microsoft 365 licenses at a 75% discounted rate.

12. What are the key features of Microsoft 365 Business Premium?

Microsoft’s Business Premium offer provides nonprofits with a comprehensive suite of tools including advanced security features, AI capabilities, and cloud services at a significantly reduced cost. This offer includes Microsoft 365 Copilot, Azure credits, and Power BI, making it ideal for small and mid-sized nonprofits seeking to enhance productivity and operational efficiency.

- Identity, access, and user management for up to 300 employees.
- Custom business email with Outlook.
- Tools for booking client meetings, hosting webinars, and collaborating with Teams.
- 1 TB of OneDrive cloud storage per user.
- More than 10 additional apps for business needs, including Microsoft Loop, Clipchamp, Bookings, Planner, and Forms.
- Enterprise-grade device, cyberthreat, and endpoint protection

For more details please refer to the [Modern Work User Subscription Plan Comparison for SMB](#).

Commented [RC1]: [@Apurva Chandra](#) We could add this chart Copilot created for me to help clarify the differences:

Here’s a comparison chart summarizing the security features of Microsoft 365 Business Basic and Premium:

Security Feature	Business Basic
Email Protection	Built-in anti-phish and anti-malware
Identity & Access Management	MFA via Security Information and Management (SIEM) or Microsoft Entra ID
Device Management	Basic Mobility and Device Management (MDM)
Data Protection	Secure collaboration with SharePoint and OneDrive
Advanced Threat Protection	Not included

Commented [AC2R1]: Yes - that's a good update!

13. Who can help my customer with this transition?

We are encouraging customers to work with their existing partners in the email notifications sent to the customers.

14. What support will be provided to partners during this transition?

Partners will receive communications ahead of the email announcement, office hours to explain changes, and support to help transition customers off grant offers and onto other grants or paid offers.

15. What are the differences between Office 365 E1 and Microsoft 365 Business Basic features?

Office 365 E1 and Microsoft 365 Business Basic have the same core productivity functionality, with the primary difference that Microsoft 365 Business Basic has a 300-seat cap.

[View this comparison](#) of the features of Office 365 E1 and Microsoft 365 Business Basic for more details.

[More Details: Modern Work User Subscription Plan Comparison for SMB](#)

[More Details: Modern Work Plan Comparison for Enterprise](#)

16. How should I support my customers who have active seats on the Microsoft 365 Business Premium grant and/or the Office 365 E1 grant?

Partners are encouraged to share with their customers the various discounted Microsoft 365 nonprofit offers and grants they can avail. This is also a good time to speak with your customers about the security value in Microsoft 365 licenses.

Partners are encouraged to engage their nonprofit customers with the [Microsoft CSP briefings](#). Nonprofits qualify towards the CSP briefings incentives. You can also offer these customers security assessments to assess their security posture and licensing options.

Partners can also develop their own offers to support these customers.

17. When will the three-year subscription terms be available on CSP for nonprofit Microsoft 365 SKUs?

Currently, three-year subscription terms are not available for the nonprofit Microsoft 365 SKUs on CSP. The Tech for Social Impact team will provide an update if this is made available in the future.