



Department of Administrative Services

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TO: Agency CIOs
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FROM: Ervan D. Rodgers, II, State CIO/Assistant Director 
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SUBJECT: FY20 IT SERVICE RATES

DATE: September 23, 2019

The FY 2020 information technology service portfolio has been finalized and the associated rates approved by the Office of Budget and Management. Rates for Database Support, SSL Certificate, SharePoint and Cloud Services are pending.

IT Optimization drove the standardization necessary to provide more economies of scale through infrastructure consolidation at the SOCC. As we look to the future, IT innovation and collaboration will be the focus. We will complete the infrastructure migration to the SOCC and focus on providing services that support the ability to deliver enhanced digital experiences, data analytics and shared services on premise and in the cloud.

The remainder of this memo describes specific IT services that have undergone or will experience changes in how they are delivered or billed as well as any new service offerings in FY 20. The final page of this memo includes a table showing OIT services according to billing type and frequency.

Microsoft Licensing

At the start of FY 19, OIT announced a new Microsoft 365 Enterprise E5 licensing model and service enhancements, accompanied by corresponding increases in the cost of that service that would occur in FYs 20 and 21. The Microsoft license rate in FY 20 is affected by another administrative change – as a result of fund realignment undertaken by DAS and OBM related to DAS OIT accounting structure, certain Microsoft enterprise licensing costs that had previously been supported from the IT Enterprise payroll check-off rate have now been consolidated into the Microsoft 365 Enterprise License service rate for improved transparency. As a result, the FY 20 Microsoft 365 Enterprise E5 license rate is higher than the FY 19 rate but now reflects the complete actual cost of the service.

Two new offerings of Microsoft Project are also available in FY 20. They are Project Online Essentials and Project Online Premium:

- Project Online Essentials provides the capability for team members to update and task status, share documents, submit timesheets and collaborate with colleagues.
- Project Online Premium not only provides the capability that Project Essentials and Professional does it also allows you to manage demand, prioritize projects and ensure optimal allocation of resources across projects to deliver the intended business value.

To supplement agency licensing and fully leverage the State of Ohio Enterprise Agreement with Microsoft, we continue to offer monthly subscription rates for Microsoft Visio Online and Microsoft Project Online. An agency can subscribe to these services by submitting a request to CSC for the Office 365 Portal Team to license the accounts and provision license once purchased via the Microsoft Reservation process.

Server Virtualization – Legacy Support

To simplify the delivery model for these services, and due to the contract structure with Microsoft, the billing for Legacy support will mirror the OIT cost structure. Legacy charges for Windows Server 2008 will begin in the first quarter of calendar year 2020.

Automated Ticketing

Automated ticketing is a service that uses IBM Workplace Support Services with Watson. This provides artificial intelligence to address and route service tickets and issues. Expected benefits:

- Allows analysts to spend more time with callers and seek strategies to improve IT effectiveness
- Supports quicker resolution of service requests and reduced bouncing of tickets
- Integrates with existing ServiceNow reporting

DAS Billing

Beginning in FY 20, DAS is implementing a new costing and billing system (CABS). This new system will allow us to bill all consumption-based services monthly based on actual usage and enable additional descriptive detail on invoices, eliminating the need for agencies to use SUMS to look up consumption and service detail. Billing monthly based on actual usage will eliminate the need for annual reconciliations and potential true-up billings at the end of each fiscal year. Because agencies will be billed after DAS incurs the cost of providing these services, timely payment from agencies is expected and appreciated. We are happy to work with agencies on any concerns or questions about charges that appear on your bills.

Another change in our FY 20 billing process concerns One Network. The charges for One Network are allocation-based billings that have historically been issued quarterly. Beginning in FY 20, DAS will issue one annual bill for One Network during the first quarter of the fiscal year.

We are very excited with the billing frequency changes for FY20. The change to monthly actuals for consumption-based services and to annual billing for One Network will improve visibility into agency consumption and allow you to manage appropriation and cash more effectively.

If you have billing questions/issues please contact the Customer Service Center at csc@ohio.gov or (614)644-6860 or (877) 644-6860. If you have questions specifically about established rates, please contact Financial Manager Doug Forbes at 614-995-0467 or Doug.Forbes@DAS.Ohio.gov.

FY 2020 DAS Billed IT Services Frequency

Annual - Advance

MARCS Voice (Optional)
Ohio One Network*
Ohio Professional Licensing

Annual - Arrears

Directory Services Cost Recovery
OBG Administrator Recovery
Streamline Sales Tax/Finder

Quarterly - Advance

IT Development Assessment
MARCS Services (Voice, Co-Location, CAD, Pagers)

Ad Hoc

Consolidated IT Purchases/MOUs
Microsoft Premier Support Services
Network Equipment Services
Ohio Benefits Build

Monthly Arrears *

AIX System Services*
Application Development & Programming Services*
Application Integration Services*
Data Center Co-Location Services*
Data Storage, Server Virtualization, and Backup Services*
Database Services*
Enterprise Configuration Management
Enterprise SharePoint**
ePay Business Solutions*
Hosted Document Management
IT Mainframe Services*
Mainframe Business Continuity & Disaster Recovery*
Microsoft Licensing*
Network Equipment Services*
Ohio Benefits Operations
Ohio Child Licensing & Quality System*
Social Security Verifications*
SSL Certification Services*
Virtual Desktop Services*

*Frequency change in FY20

**New Service in FY20

DAS MASTER RATE SUMMARY - FY18 Thru FY20

OFFICE OF INFORMATION TECHNOLOGY (OIT)	Fund	FY 2018	FY 2019	FY 2020 Approved	% Change FY20-FY19	Rate Trend	Billing Unit
AIX/Unix Memory Expansion	1330	\$7.11	\$7.11	\$7.99	12.4%	↑	Per Gb/Per Month
AIX/CPU Per MHz Charge	1330	\$126.94	\$126.94	\$142.59	12.3%	↑	Per Ghz/Per Month
AIX/Unix Systems Services	1330	\$178.57	\$178.57	\$219.80	23.1%	↑	Per Server/Per Month
AIX/Unix Open Systems DR	1330	\$178.57	\$178.57	\$219.80	23.1%	↑	Per Server/Per Month
Application Programming	5PC0	\$116.00	\$144.00	\$197.26	37.0%	↑	Per Billable Hour
Application Development	5PC0	18.00%	25.00%	30.00%	20.0%	↑	Per Contractor \$
Automated Ticketing	1330	N/A	N/A	\$4.94		N/A	Per Ticket
Database Support	1330	\$371.67	\$371.67	TBD			Per Hour
Data Center Co-location - Facility	1330	\$0.18	\$0.18	\$0.18	0.0%	—	Per Kwh
Data Center Co-location - Misc	1330	\$1.00	\$1.00	\$1.00	0.0%	—	Per dollar
Data Center Co-location - Rack Redundant Power	1330	\$500.00	\$500.00	\$500.00	0.0%	—	Per Rack
Data Center Co-location - Rack Single Power	1330	\$300.00	\$300.00	\$300.00	0.0%	—	Per Rack
Data Storage - Capacity	1330	\$0.12	\$0.11	\$0.08	-27.3%	↓	Per Gb/ Per Month
Data Storage - General Purpose	1330	\$0.19	\$0.19	\$0.15	-21.1%	↓	Per Gb/Per Month
Data Storage - Performance	1330	\$0.91	\$0.83	\$0.70	-15.7%	↓	Per Gb/Per Month
Data Storage - Backup	1330	\$0.07	\$0.07	\$0.05	-28.6%	↓	Per Gb/Per Month
Data Storage - Object Based	1330	\$0.02	\$0.02	\$0.02	0.0%	—	Per Gb/Per Month
Desktop Support	1330	\$33.86	\$35.37	\$80.00	126.2%	↑	Per Equipment Unit per Month
Document Management	1330	\$41.22	\$29.75	\$20.08	-32.5%	↓	Per User Per Month
EDI/Appl. Integration - End Points	1330	\$56.26	\$59.62	\$53.14	-10.9%	↓	Per End Point Per Month
EDI/Appl. Integration - Kb	1330	\$0.13	\$0.14	\$0.12	-14.3%	↓	Per Kb/ Per Month
EDI/Appl. Integration - Messages	1330	\$0.80	\$0.85	\$0.72	-15.3%	↓	Per Message
Endpoint Configuration Management	1330	\$1.60	\$2.66	\$2.80	5.3%	↑	Per End Point Per Month
End User Support	1330	\$236.00	\$230.00	\$228.33	-0.7%	↓	Per Employee Seat
End User Ltd. Use Contractors	1330	\$151.75	\$145.00	\$145.71	0.5%	↑	Per Employee Seat
Enterprise Hosted Virtual Desktop	1330	\$75.00	\$46.00	\$72.24	57.0%	↑	Per Desktop/Per Month
Enterprise SharePoint	5PC0	N/A	N/A	TBD		—	Per User/Per Month
ePay Business Solutions	1330	\$0.23	\$0.23	\$0.32	39.1%	↑	Per Transaction
Equipment Installation	1330	\$127.00	\$127.00	\$127.00	0.0%	—	Per Hour
Internet Bandwidth	1330	\$3.33	\$3.33	\$3.33	0.0%	—	Per Mb/Per Month
LAN Cabling	1330	\$150.44	\$150.44	\$150.44	0.0%	—	Per New or Modification of Existing Network Connection
Mainframe Business Continuity and Disaster Recovery	1330	\$18,995.92	\$20,936.68	\$31,313.46	49.6%	↑	Fixed - Based on % of Mainframe Usage
Mainframe Systems Services	1330	\$237.00	\$327.41	\$327.41	0.0%	—	Per Hour (See Note #1)
Mainframe Virtual Tape Svcs.	1330	\$0.1100	\$0.0527	\$0.0571	8.3%	↑	Per Gb/Per Month (See Note #2)
MARCS-Mobile Voice Comm.	5C20	\$20.00	\$20.00	\$25.00	25.0%	↑	Per User Per Month
MARCS Applications	5C20	\$272.00	\$272.00	\$343.00	26.1%	↑	Per User Per Month
Metro Site Facility	1330	\$565.28	\$188.33	\$141.42	-24.9%	↓	Per Server/Per Month
Microsoft Licensing Admin	1330	\$7.50	\$7.50	\$6.23	-16.9%	↓	Per License Per Month
Microsoft Licensing - Educational E5 Pass Through	1330	\$3.94	\$3.94	\$4.90	24.4%	↑	Per License Per Month
Microsoft Licensing - Exchange Plan 2	1330	\$4.08	\$4.08	\$7.21	76.6%	↑	Per License Per Month
Microsoft Licensing - E5 Pass Through	1330	\$18.60	\$18.60	\$32.27	73.5%	↑	Per License Per Month
Microsoft Licensing - F1 Pass Through	1330	\$7.37	\$7.37	\$11.46	55.5%	↑	Per License Per Month
Microsoft Licensing - Project Pro	1330	N/A	\$20.63	\$19.85	-3.8%	↓	Per License Per Month
Microsoft Licensing - Project Essentials	1330	N/A	N/A	\$5.02		N/A	Per License Per Month
Microsoft Licensing - Project Premium	1330	N/A	N/A	\$38.77		N/A	Per License Per Month
Microsoft Licensing - Visio Online	1330	N/A	\$10.50	\$10.31	-1.8%	↓	Per License Per Month
Microsoft Premier Support	1330	22%	28%	28%	0.0%	—	Administrative Charge
Network Equip Admin Pass-Thru	1330	5.00%	5.00%	5.00%	0.0%	—	Per Dollar Of Pass Thru Network Equip. or Maint./Per Month
Ohio Benefits Operations - IE	5PC0	\$2.23	\$3.55	\$2.06	-42.0%	↓	Per Program Block
Ohio Child Licensing and Quality System	5PC0	\$22.34	\$20.45	\$19.42	-5.0%	↓	Per Provider
Ohio One Network	1330	2.40%	2.70%	2.87%	6.3%	↑	% of IT Operational Spend
Ohio Professional Licensing	5JQ0	N/A	\$0.87	\$1.03	18.4%	↑	Per License/Per Year
Open Systems Disaster Recovery - Windows	1330	\$265.00	\$193.90	\$182.12	-6.1%	↓	Per Server Image/ Per Month
POP Space (Point of Presence)	1330	\$468.50	\$450.17	\$406.89	-9.6%	↓	Per Quarter Rack/ Per Month
Secure Authentication Services	1330	\$10.13	\$10.13	\$8.65	-14.6%	↓	Per Token/Per Month
Server Virtualization	1330	\$265.00	\$193.90	\$182.12	-6.1%	↓	Per Server/Per Month
Server Virtualization - CPU Expansion	1330	\$10.00	\$7.73	\$7.46	-3.5%	↓	Per CPU/ Per Month
Server Virtualization - Memory Expansion	1330	\$4.50	\$3.86	\$3.73	-3.4%	↓	Per Gb/Per Month
Server Virtualization - Dedicated Environment	1330	\$730.00	\$541.04	\$522.15	-3.5%	↓	Per Server/Per Month
Social Security Verification	1330	\$2	\$1.61	\$10.54	554.7%	↑	Per 1000 Transactions (See Note #3)
SSL Certification Service	1330	\$317.48	\$244.64	TBD			Per Certificate

Notes:
 1 - Late in FY 2019 Mainframe Systems Services was revised and approved by OBM to increase 38.7% from \$236.00 to \$327.41 per CPU hour for both FY19 and FY20.