

**To:** Division of Enterprise Technology (DET) Customers

**Reference:** DET Draft Rate Communications for Fiscal Year 2016

As the new fiscal year approaches many of DET's customers are eager to identify with the expenses related to the IT services that DET provides. This year in particular is important to customers who have come on board as a result of recent IT Transition initiatives. The goal with this announcement is to provide DET customers with DRAFT rates related to IT Services provided by DET for "high consumption or high impact services", while also providing guidance on how to interpret rates for all DET services for FY16. Table 1 and Table 2 below address the rates that fit into the "high consumption or high impact" category. When the final FY16 rate sheet is published and communicated it will likely contain additional adjustments as necessary for other DET services, ex: platform, consulting, etc.

We ask that each of you keep in mind that there are many factors which are taken into account each year when developing rates. Those factors are compounded this year with the onboarding of our newest customers. There is much work to be done under the rationalization and optimization efforts for new customers who require additional consideration for transition of physical assets, licensing, support, and staff. As we draw nearer the FY there is potential for the rates identified here to change slightly, but we hope these rates will provide customers with the foundation needed to build their FY16 budgets.

*Initial DRAFT Rates High Consumption or High Impact Services*

General Service	Catalog Name	Reduction or Increase	FY15 Rate	Draft New Rate
Virtual Server	Agency Managed Application Services (AMAS)	-30%	\$98.71/CPU	\$69.10/CPU
		-30%	\$14.75/512MB	\$10.33/512MB
	Dedicated Virtual Host - Remote	-25%	\$646/Host	\$485/Host
Storage	Distributed Storage	-35%	\$0.49/GB	\$0.32/GB
Backup Services	Distributed Backups	-12%	\$0.23/GB	\$0.20/GB
Mainframe	Mainframe Online*	-10%	.0401/Sec	\$0.0361/Sec
	Mainframe Batch*	-10%	Various	Various
	Mainframe Archive*	-25%	4.231/GB	\$3.173/GB
	Mainframe Tape*	-25%	0.471/GB	\$0.353/GB
Email Services	Exchange 2013 E-Mail	0%	No Change for FY16	

Table 1 \*Mainframe rates changes will be effective April 1, 2015.

*Non-Discretionary Service Rate Changes*

General Service	Catalog Name	Reduction or Increase	FY15 Rate	Draft New Rate
Security Services	Security Services	37%	\$38.93/FTE/Yr.	53.49/FTE/Yr.
Directory	Directory - Internal	25%	\$17.76/Accounts Domain ID/Yr.	\$22.20/Accounts Domain ID/Yr.

Table 2

**Significant Points of Interest**

Enterprise security has become even more of a concern with the recent attacks on such businesses as Target, Home Depot and most recently Anthem. With the losses due to cybercrime growing, and knowing that the State of WI has large volumes of private data on WI citizens, the investment in protecting that information also needs to grow. As such, we are enhancing our capabilities for Security Incident and Event Management through the recent signing of a Managed Security contract with IBM and the addition of staff on the security team. As part of this, the security operations activities are moving from business hours on week days to 24 hours a day 7 days per week. The following is a high level list of the functions covered by security services:

- Security Incident and Event Management (Event Log and Internet Traffic Monitoring)
- Intrusion Detection
- Vulnerability Management
- Penetration Testing
- Patch Audit of DET managed infrastructure.
- Compliance and Audit

The table above highlights the fact that DET has made additional security related investments resulting in additional cost to all Enterprise customers.

Over the past several years the DET has continued to work with our agency partners to meet their IT needs while diligently striving to do so at reasonable costs to your organizations. Technology has changed significantly in this same time frame, allowing DET to take advantage of advancements that reduce overall expense in such areas as server hosting and mainframe services. Table 3 below highlights the reductions to some of the key service rates over the past few years resulting from enterprise wide efforts to reduce expense for DET customers. *Most notably DET has been able to publish reduced virtual server rates resulting in a 56% decrease from FY11 through FY15. Distributed storage and backups have each had rate reductions which resulted in decreases of 35% and 21% respectively, as well as Mainframe services seeing a reduction of 50% for CPU services and 38% for storage.*

*High Impact Rate Modifications FY 11 – FY15*

General Service	Catalog Name	Reduction or Increase
Virtual Server	Agency Managed Application Services (AMAS)	-56% vCPU
		-47% vRAM
	Dedicated Virtual Host - Remote	-19%
Storage	Distributed Storage	-35%
Backup Services	Distributed Backups	-21%
Mainframe	Mainframe Online	-50%
	Mainframe Batch	-50%
	Mainframe Storage	-38%
	Mainframe Archive	-38%
	Mainframe Tape	-38%
Email Services	Exchange 2013 E-Mail	Average -32%
LAN Services	LAN Network Ports	-20%
Platform Support Services	SQL, IIS, WebSphere	20-30%

Table 3

**Service Rates Not Listed**

Adjustments to additional services rates are still expected for FY16, but further rate evaluation is necessary before an announcement is officially made. DET hopes to make these, or any changes to the above listed draft rates, available by early May. Meanwhile we encourage agencies to utilize the DRAFT rates in Table 1 along with FY15 published [rates](#) for other services as a means for completing budget estimates.

**Service Changes/Enhancements/Additions**

- An impact analysis is being done to determine the effect of capping the *Support* charge for platform services such as IBM WebSphere, Microsoft SQL, and Internet Information Services (IIS) at two vCPU. This would allow customers to take advantage of advancements in virtual technology capacity while reducing additional expense in support of platform services.
- Data Center File Servers will be phased out as a service as DET has introduced a less expensive, more advanced “[File Hosting with Enhanced Recovery](#)” Service in the last year based on EMC Isilon technology. This technology allows provisioning of file services storage without the need to have a Windows File Server as a host. This advancement, as well as the cost savings for the disk alone, creates an attractive alternative to standard server based file services. Remote File Services will still be an option for those agencies where such a service is critical.

- Tableau Business Intelligence (BI) platform is a new DET service offering that was recently published to the services catalog and the existing DET rate sheet. Tableau is an online and mobile business intelligence (BI) solution that makes it easy to integrate data in your business. Connect directly to 40+ data sources or store data extracts in the built-in data server. Business users can analyze complex information, create and publish interactive visualizations, dashboards, and reports and share within the organization. Published dashboards are also mobile-ready for iOS and Android devices. The platform has flexible data architecture, robust security, and provides high availability and back-ups. The Service Offering Definition has recently been posted to the [Service Catalog](#) website for BI Tableau Services and can be located [Here](#)
- DET is working on a Request for Proposal (RFP) to replace the current BadgerNet service. The existing rates for services are simply too high for the capacity provided. The goal for the new contract is to reduce broadband costs and increase bandwidth capacity to meet the growing demand each of you have.

Please contact James L Sylla (608)264-6186, Terri Oliversen (608)267-6926 or Brad Matthiesen (608)267-7987 with any questions you may have in regards to this communications.

Thanks!

James L. Sylla  
Director, Bureau of Business Services  
Division of Enterprise Technology  
Wisconsin Department of Administration  
Ph: 608.264.6186  
[James.Sylla@Wisconsin.gov](mailto:James.Sylla@Wisconsin.gov)