



# STATE OF WISCONSIN DEPARTMENT OF ADMINISTRATION

Tony Evers, Governor  
Joel Brennan Secretary  
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**To:** Division of Enterprise Technology (DET) Customers

**Reference:** DET Budget Guidance Communications for Fiscal Year 2022

This is the mid-year budget guidance rate communication document for expected changes to “high impact / high utilization” rates and services. Typically, this communication addresses rates that are effective at the start of the new fiscal year. This year, however, DET is announcing rate reductions that will occur January 1, 2021 while continuing to work on estimating anticipated rate changes that will be announced in May and will become effective July 1, 2021. These guidelines are published to ensure that customers have adequate time to adjust their financial forecasts to meet their agencies’ program and strategic goals and objectives.

It is DET’s mandate to achieve recovery of all service costs. However, the full economic impact that COVID-19 will have on the State, its resources, and its short and long-term IT strategies and goals is unknown. Due to this uncertainty, DET will be especially diligent in the coming months and years to conduct on-going reviews of its rates, services, and service objectives to ensure that we continue to develop and maintain efficient and effective information technology services in collaboration with all of our customers. Beginning last spring and through the fall of 2020, DET conducted rate reviews on all its high utilization/high impact services and will continue in the upcoming fiscal years to do so.

## Rate Changes

- **Distributed Servers – effective this fiscal year, FY21:** This line of business with last year’s rate reductions continues the trend of over-recovering revenue. We will be dropping the compute rates associated with server subscription services effective January 1, 2021 by 10%. Financials for this line of business will be evaluated throughout the remainder of this fiscal year to determine if additional rate reductions are warranted. A reduction in Distributed Server rates will impact AMAS virtual server vCPU and vRAM rates, virtual appliance vCPU and vRAM rates, and AMAS physical server rates. This rate reduction will also have a direct impact on all services that use these values to calculate recovery costs, such as the SQL Server service, the WebSphere service, and the IIS service as seen in the table below. Because each customer subscription associated with these services includes compute resources and its costs, any reduction in compute resources will also reduce the monthly cost of each of those subscriptions.

**Compute Rates Effective January 1, 2021 (reduced 10%):**

Distributed Server Services		Physical Base	Physical Enhanced	CPU Base Support	CPU Enhanced Support	RAM Base Support (1 GB=1024 MB)	RAM Enhanced Support (1 GB=1024 MB)
	Services						
AMAS	Virtual Server			\$40.30	\$48.36	\$12.03	\$14.45
	Virtual Appliance			\$22.82	\$27.38	\$6.82	\$8.18
	Virtual Remote			\$48.36	\$58.03	\$14.45	\$17.34
Physical	AMAS Physical	\$804.33	\$965.20				
DB	SQL Virtual Server			\$40.30	\$48.36	\$12.03	\$14.45
Application	IIS Server Virtual			\$40.30	\$48.36	\$12.03	\$14.45
	WebSphere Virtual			\$40.30	\$48.36	\$12.03	\$14.45

- Distributed Storage – effective this fiscal year, FY21:** In FY20 we began to see stabilization in the Distributed Storage line of business. This was the result of an increase in storage rates for FY20, as well as customer efforts to clean up and right-size storage usage. For fiscal year 2021, we held those storage rates steady at the FY20 levels. DET’s automation efforts for storage and server management in Cherwell have been operational since July, 2020. As a result of all these efforts and activities, we have seen adequate stabilization and recovery from the Distributed Storage line of business. Consequently, we will be dropping storage rates effective January 1, 2021 by the following types and percentages:

**Storage Rates Effective January 1, 2021:**

Storage Rates (Per GB)	Current rates	Percent of rate reduction	January 1, 2021 rate
Primary	\$ 0.39	10%	\$ 0.35
Backup	\$ 0.29	5%	\$ 0.28
File Hosting	\$ 0.11	10%	\$ 0.10
Remote location	\$ 0.11	10%	\$ 0.10

Financials for the Distributed Servers line of business will be evaluated throughout the remainder of this fiscal year to determine if additional rate reductions are warranted.

- **WebSphere - effective next fiscal year, FY22:** Due to achieving cost recovery targets in the past two fiscal years, the WebSphere line of business will drop its application support fee rate by 10% effective July 1, 2021.

**WebSphere Rates Effective July 1, 2021:**

WebSphere	Current rates	Percent of rate reduction	July 1, 2021 rate
Application Support			
Base support	\$ 864.26	10%	\$ 777.83
Enhanced Support	\$ 1,037.11	10%	\$ 933.30

- **LAN Port rate adjustment:** We will be evaluating the LAN Port service and its per-port rate in the remaining months of the fiscal year to ensure that it accurately reflects its recovery targets. Due to COVID-19, fewer employees are working on-site in their offices, yet month-over-month the reporting tools that DET uses to count active data port connectivity continue to record port usage at levels that are comparable to previous years’ reporting metrics. In addition, there are no corresponding service-related cost reductions associated with providing this service. DET will be examining this service over the next six months to determine how best to meet the needs of our customers while also meeting our recovery needs.

**Other Service and Rate Changes for FY21 and FY22**

**Non-standard and sunset services:** Since the beginning of fiscal year 2020, DET has been applying a 20% rate increase to non-standard and sunset services that are technically vulnerable, end-of-support, and/or that result in additional support costs. This 20% rate increase has been applied to services that are defined by this policy. The table below represents a tracker of products and services that are expected to fall into the non-standard or sunset categories within the next fiscal year with potential upcharges going into effect on the identified date. As we announced last year, a sunset rate for SharePoint 2013 will take effect January 1, 2021. Sunset rates for two Linux operating systems, SUSE Linux SLES 11 and Red Hat Linux 6.x, will be effective July 1, 2021.

This link provides guidance on DET’s Policy for [One-Off IT Requests](#):

**Products that will have sunset rates applied:**

Product/Service	Sunset Date
SharePoint 2013	January 1, 2021
SUSE Linux SLES 11	July 1, 2021
Red Hat Linux 6.x	July 1, 2021

Listed below are all the items for which sunset rates were applied in previous years:

Product/Service	Sunset Date
Oracle database version 11g	July 1, 2020
MS Windows 2008* (see below)	July 1, 2020
MS SQL 2005/2008	July 1, 2020
MS Windows 2003	July 1, 2019
GIS	Complete
Mediasite	Complete

\*(MS Windows 2008) At this time, it is unknown if extended support for MS Windows 2008 will be available in 2022. DET will continue in talks with Microsoft and other vendors on support options and costs for these older operating systems. Meanwhile, DET will continue to encourage agencies to move off these older, more vulnerable platforms.

### Ongoing Documentation

The Bureau of Policy and Budget (BPB) has many sources of ongoing information for our customers to assist with reviewing the services provided by DET. Please see the following areas for more information.

- Additional Resources:
  - <https://detcc.wi.gov/businessplanning/Pages/BP-Home.aspx>

Please contact [DETBusinessServices@wisconsin.gov](mailto:DETBusinessServices@wisconsin.gov) with any questions you may have regarding this communication.

Thanks!



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