



**Commonwealth of Massachusetts**

Executive Office of Technology Services and Security (EOTSS)

Operations and Security Office

## EOTSS Chargeback Model: Frequently Asked Questions (FAQs)

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For questions about Chargeback, Showback, or any other rates or information contained in this document, please reach out the TSS Customer Engagement Team: [eotss-centralizedintake@mass.gov](mailto:eotss-centralizedintake@mass.gov)

## New Models and Rates

### **What is Chargeback Refresh? And why is the Chargeback Model being changed now?**

Chargeback Refresh is an evaluation and modernization of EOTSS Chargeback rate models.

The Chargeback Model is being updated to better align with the services currently offered by EOTSS and to address changes in the service delivery processes. This refresh will help ensure a more consistent customer experience, a clearer understanding of costs and appropriate cost recovery.

### **How will the new Chargeback Model benefit us?**

The new model provides several benefits, including:

- Enhanced cost transparency for both EOTSS and customers
- Easier budgeting and predictability with standardized rate schedules
- A more straightforward, understandable model that directly aligns costs with service consumption
- Optimized costs through bundled and business-focused service delivery

### **Will the new Chargeback Model affect future service requests?**

While the model itself does not affect the process of making service requests, it does provide a more predictable and transparent cost structure for planning and budgeting around those services.

### **How can we provide feedback or get further support?**

EOTSS will continue dedicated engagements with secretariats and customers throughout the transition. You can reach out to the EOTSS Customer Engagement team ([eotss-centralizedintake@mass.gov](mailto:eotss-centralizedintake@mass.gov)) for service-related questions.

### **What is the difference between "Rated Services" and "Pass-Through Charges"?**

The Chargeback Model includes two main types of chargebacks:

- **Rated Services**: Services where EOTSS calculates a rate based on total service costs divided by usage units (like users or transactions).
- **Pass-Through Charges**: This is usually a one-time charge where EOTSS bills agencies for the vendor's direct cost.

### **What are "usage-based metrics" and how do they affect Chargeback?**

Usage-based metrics are measurements that determine service charges based on actual consumption. They can include but are not limited to: number of users, storage volume (GB), transaction counts, CPU usage, page views (for Mass.gov), etc. These metrics ensure agencies pay for their actual service usage and can control costs through usage management.

### **How are the new rates determined in the updated Chargeback Model?**

In general, we utilize per unit cost rates as follows:

$$\text{Total Direct Cost of Service} / \text{Total Number of Units} = \text{Per-Unit Cost}$$

The formula reflects the actual cost of providing services, considering elements such as license costs, material costs, rental costs, staff costs, vendor costs, maintenance costs, and other expenses related to service delivery.

### **What services are affected by the new Chargeback Model?**

The Chargeback Model has been updated for all services except for End User and Network services provided to unconsolidated Secretariats and Pass-through chargebacks.

We have regrouped our services into eleven (11) new service groups as follows:

- Platform and Tools
- Datacenter Services
- Telecom Services
- End User Services
- Overhead
- Professional Services
- Enterprise Applications
- Digital Services
- Network Services
- Security Services
- Pass-Through

### **How often will rates be reviewed and updated?**

EOTSS will follow an annual rate review cycle beginning FY 26. Rates will be reviewed annually based on:

- Current and projected direct costs (labor, maintenance, vendor fees)
- Current and projected indirect costs (overhead, administrative expenses)
- Agency usage patterns and trends

Any rate changes will be:

- Communicated well in advance of implementation
- Accompanied by detailed explanations of changes
- Supported by usage and cost data

## What steps can agencies take to reduce their costs under the new model?

Agencies can manage and reduce their costs through several approaches:

- Regular Review of Usage:
  - Monitor user counts and remove unnecessary licenses
  - Review storage usage and clean up unnecessary data
  - Analyze service utilization patterns
- Service Rightsizing:
  - Adjust service levels based on actual needs
  - Request services only when required
  - Review and optimize service utilization
- Planning and Forecasting:
  - Project future needs accurately
  - Plan for seasonal variations in usage
  - Coordinate with EOTSS for better capacity planning

If you are billed for a service that you should not have been billed for, please contact the EOTSS Customer Engagement team ([eotss-centralizedintake@mass.gov](mailto:eotss-centralizedintake@mass.gov)) to ask for a review.

## Implementation and Transition

### When will the new Chargeback Model be fully implemented?

The full implementation of the new Chargeback Model is planned for July 1, 2025 (FY 26).

### What is Show-Back and how will it work during the transition?

Show-Back is a preview of costs under the new Chargeback Model without actual billing. It does not have to be paid - the invoice is for informational purposes only.

During FY 25, agencies will receive two (2) separate invoices:

- Current Chargeback Invoice: based on existing Chargeback Models, and
- Projected Show-Back Invoice: based on the New Chargeback Model (*for planning purposes only*).

This allows agencies to understand future costs without immediate financial impact and helps with budget planning for FY 26.

### What type of reporting will agencies receive about their service usage and charges?

EOTSS will provide comprehensive reporting to ensure transparency. Agencies will receive:

- Monthly Reports:
  - Detailed service usage metrics.
  - Cost breakdowns by service and bundle by account code.
- Annual Reports:
  - Year-over-year comparisons.
  - Budget planning projections.

## Network Services / End User Services

### **What is a "Service Bundle" and how does it affect Chargeback?**

A Service Bundle is a group of related services packaged together under a single Chargeback Service.

Benefits of having bundled services include:

- Simplified billing through consolidated charges
- Access to multiple related services under one price
- More predictable costs for agencies

### **What is included in the Network Service Bundle?**

The Network Service Bundle includes a wide range of connectivity and bandwidth options delivering voice/data communications and/or internet access such as:

- MPLS
- Point-to-Point/Private Line
- Primary Rate Interface (PRI)
- Digital Subscriber Line (DSL)
- Ethernet
- Internet Access
- Layer 2
- Ethernet Services
- Cable-based Broadband
- Commercial Internet Services
- Business Commodity Internet
- Fixed Wireless Services (such as Satellite and Microwave)
- Dark Fiber and Lite Fiber Services

Direct costs include the Network Support teams and the underlying network infrastructure including data circuits, network and security hardware and software maintenance.

There are currently three (3) Commonwealth Secretariats that do not utilize this bundle (EHS, ENV and DOT).

### **What is included in the End User Support Bundle?**

The End-User Support Bundle includes a wide array of products and services such as Office 365 licenses, service desk and deskside support, accounts management, enterprise print and desktop engineering.

The Chargeback for the End User Support Bundle is a unit cost rate. The unit cost is based on the number of Office 365 G3 licenses provisioned and the costs associated with end user support.

There are currently three (3) Commonwealth Secretariats that do not utilize this bundle (EHS, ENV and DOT).

## Enterprise Applications

### **Will there be any changes to MMARS Chargeback?**

MMARS (Massachusetts Management Accounting and Reporting System) will maintain its existing transaction-based charging model, where costs are calculated based on the total number of transactions processed per month. However, two important changes are coming:

- Rates have been updated for FY 26 to reflect current operating costs which cover the vendor (CGI) maintenance contract with EOTSS, and
- The impact of MMARS replacement to MOSAIC is to be determined.

## Datacenter Services

### **What is the Production Scheduling Service?**

Production Batch Scheduling is the process of automating and managing batch jobs in an IT environment to ensure the efficient execution of repetitive tasks, such as data processing, report generation, backups, and system updates. It is a critical component of IT operations, ensuring that jobs run in the correct order, at the right time, with minimal human intervention.

Key components of IT Production Scheduling services are:

- Job Scheduling
- Dependency Management
- Resource Optimization
- Time Based and Event-Driven Scheduling
- Error Handling and Recovery
- Logging and Monitoring
- Security Compliance

### **How will Co-Location Services be charged back?**

The Chargeback Model uses one of three (3) metrics for Co-Location Services:

- Square footage utilized in the data center
- Number of standard equipment racks
- Number of 'U' used

We have established rates for In-State and Non-State rates for the Springfield and Markley Datacenters. Please note different rates may apply for different hosting locations based on facility costs and capabilities.

### **How will IBM P-Series services be charged back?**

IBM P-Series services will not be charged under the New Chargeback Model as we expect it to be migrated to a Cloud solution. If usage of this service continues in FY 26, a Chargeback will be issued.

### **How will HP-Superdome Unix support services be charged back?**

HP-Superdome services will not be charged under the New Chargeback Model as we expect it to be migrated to a Cloud solution. If usage of this service continues in FY 26, a Chargeback will be issued.

## **Professional and Managed Services**

### **How will Professional Services charges change in the future?**

We are evaluating a new Chargeback Model to be rolled out during FY 26 for Professional Services.

### **How are vendor pass-through services handled in the new model?**

There is no change to this service as it is a Pass-through Chargeback.

### **What is the difference between Cloud Managed Service and General Overhead?**

Cloud Managed Service is the work performed by EOTSS to support cloud services, including AWS and Azure. It is charged as 16% of direct cloud consumption costs and it is separate from General Overhead.

General Overhead is a mark-up to invoice total, with limited exceptions, charged at 18.44% which covers EOTSS administration such as procurement, finance, human resources, legal, service management, customer engagement and agency leadership. The only charges that do not receive General Overhead are Pass-Through Charges and certain Legacy and Co-Location Services.

## **Telecom Services**

### **What are the different types of Telecom services provided by EOTSS?**

There are three (3) Telecom Services that will now be charged back under the New Chargeback Model beginning FY 26:

- Contact Center Services
- Voice Services (Landlines)
- Mobile and Cellular Services

### **Why are we being charged for Contact Center Services?**

EOTSS provides back-end support including Service Delivery, Project Management and Contract Management that are critical to efficient operations of this Contact Center Services and has a chargeback to recover costs associated with those services.

The EOTSS Mass Voice Cloud Contact Center is a secure, cloud-based omni-channel contact center solution designed exclusively for Massachusetts State and Local government clients. Delivered via the EOTSS secure network and hosted in Five9 data centers located in Atlanta and Santa Clara, this solution combines advanced cloud-based contact center software with robust security and management tailored to meet the needs of government entities.

This service is a collaboration between EOTSS and a selected business partner to ensure seamless operation, including 24/7 monitoring and support with a direct connection to Five9's data centers through EOTSS's core network.

Service Delivery includes:

- Security and Resiliency: Hosted in redundant Five9 data centers and traffic is secured through EOTSS' network for compliance and data protection.
- 24/7 Monitoring and Support: Proactive monitoring and emergency support are provided around the clock and direct connections to Five9 data centers enhance reliability and reduce latency.
- End-to-End Managed Service: All aspects of the service, from onboarding to ongoing support, are fully managed by EOTSS in partnership with our business partner and Five9.

Project Management:

- Comprehensive Onboarding: EOTSS oversees every stage of implementation to ensure a smooth transition.
- Carrier Coordination: Works with carriers to minimize fees and improve redundancies.
- Cost Optimization Strategies: Proposes actionable plans to reduce spending while enhancing service levels.
- Stakeholder Collaboration: Facilitates participation among vendors, agencies, and EOTSS teams.
- Training and Instruction: Provides training for end-users and supervisors as part of the onboarding process.

Contract Management:

- Renewals and Amendments: Handles contract negotiations to ensure continued service excellence.
- Vendor Oversight: Ensures compliance with Service Level Agreements (SLAs) and contractual terms.
- Hardware and Software Recommendations: Evaluates and recommends system enhancements to meet evolving needs.

**Why are we being charged for Voice Services (landlines)? We already pay the vendor (New Era Technology) directly?**

EOTSS provides Remote and Onsite Support, Project Management and Contract Management for Voice Services (landlines).

- Remote and Onsite Support: MassVoice offers holistic support to ensure uninterrupted communication including administration of moves, adds, and changes (MACs), 24/7 monitoring, emergency dispatch and alerting, Onsite support for technical issues and installations, tiered support levels (I, II, III) for user assistance, maintenance coordination (routine and emergency), change management adherence, and technical issue resolution and service outage.
- Project Management: EOTSS provides dedicated project management to streamline onboarding and service enhancements including complete oversight during onboarding, collaboration with carriers to optimize costs and improve redundancies, strategy development for cost reduction and service expansion, coordinating among vendors, agencies, and EOTSS teams, and training and guidance throughout project implementation.



- Contract Management: EOTSS ensures adherence to contractual obligations and optimal service delivery including negotiation of renewals and amendments, oversight of vendor Service Level Agreements (SLAs), and evaluation and recommendation of hardware/software updates.

**Why are we being charged for Mobile and Cellular Services? We already pay the Cellular Service vendors (AT&T, T-Mobile and Verizon) directly?**

EOTSS provides comprehensive support for the procurement, security, deployment, and management of cellular devices for supported Commonwealth agencies, streamlining operations and enhancing security. The service offers tailored solutions for authorized entities as follows:

- Device Procurement: The MassVoice team assists in sourcing and acquiring cellular devices, including MIFI/Jetpacks, iPhones, and iPads, ensuring compatibility and compliance with agency requirements.
- Secure Enrollment: iPhones and iPads are enrolled in the Microsoft Intune Mobile Device Management (MDM) system, guaranteeing secure deployment that adheres to Commonwealth standards.
  - Note on Mobile Application Management (MAM): MAM, or Mobile Application Management, covers all other mobile devices, including non-iOS Commonwealth-issued cell phones/tablets and personal mobile devices. MAM allows the Commonwealth to manage ONLY Commonwealth applications and data. *For more information, please review [Commonwealth MDM & MAM | Mass.gov](#)*
- Lifecycle Management: Ongoing support includes commissioning, decommissioning, device replacement, and managing the locking/unlocking of devices.

**Can we have more details on Mobile Services? The invoice has only summarized billable units for my agency.**

Yes. We are working to include more usage details on the Show-Back invoices for Mobile and Cellular Services.

## Digital Services

**What is Hootsuite?**

Hootsuite is a social media management tool.

**What metrics will be used for Mass.gov Chargeback?**

The Chargeback for Mass.gov is a complex model based on the cost to provide the Mass.gov platform, and four (4) usage metrics:

- page views
- published nodes
- hosted documents
- G3 licenses

Each usage metric has been assigned a weighting to create an overall allocation percentage for each customer. Major cost drivers are FTE and vendor support costs, software licensing, and maintenance and subscription fees.

## General Overhead

### Is General Overhead charged on all services?

No. General Overhead is not charged for Legacy Network Services and some Co-Location Services.

### Why are we being charged for General Overhead?

General Overhead covers EOTSS administration costs such as procurement, finance, human resources, legal, service management, customer engagement and agency leadership. It is 18.44% on all services with some exceptions mentioned in the previous question.

## Other Questions

### We are an independent or constitutional agency. We do not utilize EOTSS Deskside Support, Accounts Management, Enterprise Print or Deskside Engineering. Can we receive the lower G3 rate for these services?

No. The lower M365 G3 Chargeback is for EHS, DOT and ENV agencies only as they have not yet been consolidated into EOTSS as per Article 87.

### We are an independent or constitutional agency. We have several circuits from EOTSS, and we have our own Network support team. Can we receive the lower Legacy Network rate?

No. Legacy Network chargeback is for EHS, DOT and ENV agencies only as they have not yet been consolidated into EOTSS as per Article 87.

### Where is Article 87 Consolidation Chargeback in the New Chargeback Model?

Article 87 Consolidation Chargeback is now part of either the End User Support Bundle or Network Bundle, depending on which services have been consolidated to date.

### How do I find out how many M365 G3 licenses my agency has?

Please reach out to the Customer Engagement team: [eotss-centralizedintake@mass.gov](mailto:eotss-centralizedintake@mass.gov)

## Document Revision History

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1.0	June 13, 2025	TSS Finance and Customer Engagement	Initial document