



Commonwealth of Massachusetts

Executive Office of Technology Services and Security (EOTSS)

Chief Financial Office

EOTSS Chargeback Models FY26

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1. Introduction

Chargeback is a method of cost recovery, where the customer is charged back from EOTSS for the products and services they consume. Chargeback rates consider any vendor costs, along with costs to maintain and support the products and services (overhead).

EOTSS will implement an updated chargeback methodology for products and services consumed by customer agencies in FY26 that accurately reflects the full costs of products and services provided by EOTSS.

2. Platforms and Tools

1. GitHub Enterprise
2. GitHub Co-Pilot
3. ePlace
4. JIRA
5. Legal Case Management
6. OnBase License Users
7. OnBase Part-time Licenses

2.1. GitHub Enterprise

The chargeback model for GitHub Enterprise is a per user rate. It is sold on a per user basis with usage measured monthly by license. Customers make a commitment for the remainder of the fiscal year when they add a license. The rate for license is based on the vendor cost.

2.2. GitHub Copilot

The chargeback model for GitHub CoPilot is a per-user rate. It is sold on a per user basis with usage measured monthly by license. Customers make a commitment for the remainder of the fiscal year when they add a license. The rate for license is based on the vendor cost.

2.3. ePlace

The chargeback model for ePlace is complex and has been developed in conjunction with the agency users. Each cost driver has a unique usage metric and allocation mechanism to the participating agency customer. Additional information on this chargeback model can be provided by the EOTSS Chargeback Team.

2.4. JIRA

The chargeback model for Jira is a per-user rate. It is sold on a per user basis with usage measured monthly by license. Customers make a commitment for the remainder of the fiscal year when they add a license. The rate for license is based on the vendor cost.

2.5. Legal Case Management:

The recurring cost model for the LCM service includes a per user per month license fee (Salesforce, Litify and Nintex licenses), which is reset annually based on the SaaS vendor renewal rate. Additional costs associated with client support or enhancements will be charged on a time & materials of fixed fee basis.

2.6. OnBase License Users

The chargeback model for OnBase is a per user rate. It is sold on a per user basis with usage measured monthly by license. Customers make a commitment for the remainder of the fiscal year when they add a license. The rate for license is based on the vendor cost.

2.7. OnBase Part-time Users

The chargeback model for OnBase is a per-user rate. It is sold on a per user basis with usage measured monthly by license. Customers make a commitment for the remainder of the fiscal year when they add a license. Usage of part-time OnBase license is subject to the review and approval of the EOTSS OnBase platform team to ensure license usage meets usage level criteria. If usage level exceeds the limit for a part-time user, the user will be transferred to a full license. The rate for license is based on the vendor cost.

3. Datacenter Services

1. Mainframe Services
2. Production Scheduling
3. Co-Location (In-State Rate) – MITC, Springfield and Markley-Lowell
4. Co-Location (Out-of-State) – Springfield
5. Data Protection
6. HP Superdome Unix Support
7. IBM P-Series Support
8. Azure Cloud Services
9. AWS Cloud Services
10. Mid-Range Storage
11. Cloud Overhead
12. MITC Platform Hosting
13. EOPSS IaaS – Boston Datacenter Rent

- 14. Database Dedicated SQL Server
- 15. Database Dedicated Oracle Enterprise
- 16. Database Shared Oracle Cluster

3.1. Mainframe

This chargeback model for Mainframe is a unit cost rate. The unit cost of providing service utilizes CPU per hour usage and a cost pool including direct costs of the service. Direct costs include staffing and hardware and software maintenance.

3.2. Production Scheduling

The chargeback model for Production Scheduling is a unit cost rate. The unit cost is based on the number of jobs per day measured on a monthly basis and cost pool including the direct costs of the service. Direct costs include staffing and software maintenance.

3.3. Co-Location (In-State) - MITC

The chargeback model for In-State Co-Locations is based on one of three usage metrics: per rack, per U, or per square foot. Usage is measured monthly with customers making an annual commitment for their usage. In-State Co-Location rates are based on the cost to provide the space, utilities, staffing, IT equipment, and any other expenses necessary to provision an onsite hosting environment.

3.4. Co-Location (In-State) - Springfield

The chargeback model for In-State Co-Locations is based on one of three usage metrics: per rack, per U, or per square foot. Usage is measured monthly with customers making an annual commitment for their usage. In-State Co-Location rates are based on the cost to provide the space, utilities, staffing, IT equipment, and any other expenses necessary to provision an onsite hosting environment.

3.5. Co-Location (In-State) - Markley-Lowell

The chargeback model for In-State Co-Locations is based on one of three usage metrics: per rack, per U, or per square foot. Usage is measured monthly with customers making an annual commitment for their usage. In-State Co-Location rates for Markley Lowell are based on the vendor rates for rent and add-on services.

3.6. Co-Location (Out-of-State) - Springfield

The chargeback model for Out-of-State Co-Locations is based on one of three usage metrics: per rack, per U, or per square foot. Usage is measured monthly with customers making an annual commitment for their usage. Out-of-State Co-Location rates are based on negotiated rates with customers.

3.7. Data Protection

Not currently being charged back.

3.8. Azure Cloud Services

The chargeback model for Azure Cloud is at-cost billing. Usage is measured from the vendor and costs are passed along at the vendor rate. Funding for the EOTSS team that manages and supports off-premises cloud hosting is provided in the separate Cloud Overhead service.

3.9. AWS Cloud Services

The chargeback model for AWS Cloud is at-cost billing. Usage is measured from the vendor and costs are passed along at the vendor rate. Billing for AWS Cloud costs includes a reduction due to the EOTSS negotiated AWS enterprise discount program. Funding for the EOTSS team that manages and supports off-premises cloud hosting is provided in the separate Cloud Overhead service.

3.10. Cloud Overhead

The chargeback model for Cloud Overhead is a percentage markup. The markup calculation calculates the overhead percentage compared to total direct cloud expense (AWS + Azure). This markup is applied to a customer's AWS and Azure charges.

3.11. Mid-Range Storage

The chargeback model for Mid-Range Storage is a legacy model based on a unit cost rate. The unit cost is based on the gigabyte-day and the cost of storage.

3.12. MITC Platform Hosting

The chargeback model for Platform Hosting is a legacy model based on a unit cost rate. The unit cost is based on the number of OS instances and the cost of the hosting platform.

3.13. EOPSS IaaS - Boston Datacenter Rent

The chargeback model for EOPSS IaaS is at cost billing. The cost of the vendor's data center managed service agreement is passed on to EOPSS.

3.14. Database Dedicated SQL Server

The chargeback model for dedicated SQL Server is a legacy model based on a unit cost rate. The unit cost is based on the number of SQL server licenses provisioned and the cost of the SQL server platform.

3.15. Database Dedicated Oracle Enterprise

The chargeback model for dedicated Oracle Enterprise is a legacy model based on a unit cost rate. The unit cost is based on the number of Oracle licenses provisioned and the cost of the Oracle platform.

3.16. Database Shared Oracle Cluster

The chargeback model for the Shared Oracle Cluster is a legacy model based on a unit cost rate. The unit cost is based on the number of Oracle databases provisioned and the cost of the collective Oracle database platform.

4. Telecom Services

1. Contact Center Services
2. Voice Services
3. Mobile and Cellular Services

4.1. Contact Center Services

The chargeback for Contact Center Services is a unit cost rate. The unit cost is based on the number of call center agents and EOTSS's support costs for the service. Major cost drivers are telecom staff and network costs.

4.2. Voice Services

The chargeback for Voice Services is a unit cost rate. The unit cost is based on the number of extensions and EOTSS's support costs for the service. Major cost drivers are telecom staff and network costs.

4.3. Mobile and Cellular Services

The chargeback for Voice Services is a unit cost rate. The unit cost is based on the number of phone lines and EOTSS's support costs for the service. Major cost drivers are support staff.

5. End User Services

1. End User Support Bundle
2. M365 G3 (for EHS, ENV, DOT)
3. VIP Support
4. Adobe Software
5. Microsoft Exchange Online Plan 2 License
6. Other Microsoft Software

- 7. Other Software
- 8. VPN Services

5.1. End User Support Bundle

The chargeback for the End User Support Bundle is a unit cost rate. The unit cost is based on the number of Microsoft G3 licenses provisioned and the costs associated with end user support. End user support services and costs includes a wide array of areas such as the G3 license cost itself (Office 365 and Windows), service desk and deskside support, accounts management, enterprise print, and desktop engineering.

This bundle is not yet utilized by three secretariats (EHS, ENV, DOT). See below for their Microsoft G3 chargeback.

5.2. M365 G3 (for EHS, ENV, DOT)

The chargeback for the M365 G3 is a unit cost rate. The unit cost is based on the number of Microsoft G3 licenses provisioned and the costs associated with the Microsoft G3 license. This is a legacy chargeback being utilized prior to the consolidation of end user services for these secretariats.

5.3. VIP Support

The chargeback for VIP support is a unit cost rate. The unit cost is based on the number of managers (job code: M99) within agencies receiving EOTSS end user support and the cost to provide VIP level support. Costs are heavily driven by dedicated VIP support personnel.

5.4. Adobe Software

The chargeback for Adobe Software is a unit cost rate. The unit cost is based on the number of Adobe licenses provisioned and the costs associated with each specific license. This service includes a flexible list of Adobe license types each with their own cost.

5.5. Microsoft Exchange Online Plan 2 License

The chargeback for the Microsoft Exchange Online Plan 2 (EOLP2) is a unit cost rate. The unit cost is based on the number of EOLP2 licenses provisioned and the costs associated with the EOLP2 license.

5.6. Other Microsoft Software

The chargeback for Other Microsoft Software is a unit cost rate. The unit cost is based on the number of Microsoft licenses provisioned and the costs associated with each specific license. This service includes a flexible list of Microsoft license types each with their own cost and does not include the two separately listed Microsoft licenses (G3 and EOLP2).

5.7. Other Software

No other software is currently available in the Service Catalog. This is a placeholder for software associated with vendors other than Microsoft or Adobe.

5.8. VPN Services

The chargeback for VPN Services is a unit cost rate. The unit cost is based on the number of VPN users and the cost to provide the VPN platform. VPN platform costs are driven by network staffing and network hardware and security maintenance.

6. Enterprise Applications

1. HRCMS Services
2. MMARS Transactions

6.1. HRCMS Services

The chargeback for HR/CMS is a unit cost rate. The unit cost is based on the number of customer paychecks issued and the costs associated with the operation and maintenance of the HR/CMS application. Major cost drivers include the application support team and application's software maintenance. Usage of this service is measured on an annual basis with charges set at the beginning of the fiscal year based on the customer's proportion of paychecks issued for the fiscal year two years prior.

6.2. MMARS

The chargeback for MMARS is a unit cost rate. The unit cost is based on the number of customer transactions in MMARS, as identified by their unique document identifiers (Doc ID), and the cost of the MMARS software maintenance. Usage of this service is measured on an annual basis with charges set at the beginning of the fiscal year based on the customer's proportion of transactions in the fiscal year two years prior.

7. Digital Services

1. Mass.gov
2. Hootsuite (Social Media)

7.1. Mass.gov

The chargeback for Mass.gov is a complex model based on four usage metrics and the cost to provide the Mass.gov platform. Usage for Mass.gov is based on page views, published nodes, hosted documents, and 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 and software licensing and maintenance and subscription fees.

7.2. Hootsuite (Social Media)

The chargeback for Hootsuite (social media) is a unit cost rate. The unit cost is based on the number of Hootsuite licenses provisioned and the cost to provide the Hootsuite platform. Major cost drivers for the platform include the platform license cost and platform staff support.

8. Network Services

1. Network Service Bundle
2. Legacy Network Service (for EHS, ENV, DOT)

8.1. Network Service Bundle

The chargeback model for the Network Service Bundle is a per user rate. The usage metric for network users are network end users as measured by Microsoft G3 license count. This is the same usage metric for the End User Bundle. This usage is measured on a monthly basis with a per user rate covering the direct costs of providing network services. Direct costs include the network support teams (Network Operations/Security/Engineering) and the underlying network infrastructure including data circuits and network and security hardware and software maintenance.

This bundle is not yet utilized by three secretariats (EHS, ENV, DOT). See below for their Legacy Network chargeback.

8.2. Legacy Network Service (for EHS, ENV, DOT)

The Legacy Network Service chargeback is in place to support the transition period for EOHHS, EOEEA, and DOT while their network services are consolidated into EOTSS. This chargeback continues to charge for existing EOTSS provided data circuits until the consolidation is complete.

The chargeback model for the Legacy Network Service is a frozen charge. The three participating secretariats have their FY25 data circuit charges frozen and applied to future fiscal years until the consolidation is complete.

This service is not eligible for General Overhead as overhead is already included in the legacy charge.

9. Security Services

1. SSL/Digital Certificate

9.1. SSL/Digital Certificate

The chargeback for SSL/Digital Certificates is a unit cost rate. The unit cost is based on the number of digital certificates renewed and the cost of the digital certificate renewals.

10. Professional Services

The chargeback for professional services is based on a role-based rate card. The rate card approach is very similar to how staff augmentation charges are calculated for outside vendors. EOTSS will measure usage of roles on an hourly basis and charge customers for that usage at the specific roles hourly rate.

11. General Overhead

EOTSS has costs that are in support of, but are not directly related to, providing chargeback services. These include overhead costs such as procurement, finance, human resources, legal, service management, customer engagement, and agency leadership. In prior chargeback models these costs were included in chargeback rates directly but EOTSS has chosen to more transparently charge these costs on the current models as an overhead markup. This markup is applied to all services on the invoice unless otherwise noted.

12. Pass-through

This service is for one-time purchases that are not charged back through a regular rated service. Purchases are charged at cost when EOTSS pays the vendor for goods and services. This charge requires a pass-through BAR.

Costs are charged to the customers upon EOTSS submitting payments to vendors.

This service is not eligible for General Overhead.

13. Contact

The owner of this document is the EOTSS Chargeback Team. It is the responsibility of the document owner to maintain, update and communicate the content of this document.

Questions regarding this document must be submitted to the document owner by sending an email to eotss-billing@mass.gov.

14. Document Change Control

Version No.	Revised by	Effective Date	Description of Changes
1.0	Tim Waitkevitch, CFO	2/3/2025	Initial document