

for April 2021

To: The Honorable Ralph Northam, Governor of Virginia
The Honorable Luke E. Torian, Chair, House Appropriations Committee
The Honorable Janet D. Howell, Chair, Senate Finance and Appropriations Committee

From: Virginia Information Technologies Agency (VITA)

BACKGROUND / INTRODUCTION

VITA, on behalf of the Secretary of Administration, Grindly Johnson, and the Chief Information Officer of the Commonwealth, Nelson Moe, respectfully submits this report pursuant to [Item 92\(D\)](#) of the 2021 Appropriation Act, which provides:

“The Chief Information Officer and the Secretary of Administration shall provide the Governor and the Chairmen of the House Appropriations and Senate Finance Committees with a report detailing any amendments or modifications to the information technology infrastructure services contracts. The report shall include statements describing the fiscal impact of such amendments or modifications and shall be submitted within 30 days following the signing of any amended agreement.”

In addition to this formal report, VITA continues to report to policymakers in detail on the IT infrastructure services contracts and platform through both executive reporting and ongoing oversight by Joint Legislative Audit and Review Commission (JLARC) staff.

REPORT

Copies of these amendments (and other contract documents) may be found on VITA’s public contracts portal at <https://vita.cobblestonesystems.com/public/>. The links below go directly to each contract on that portal.

Amendments/Modifications

[Multisourcing Service Integrator \(MSI\) contract with SAIC \(VA-170822-SAIC\)](#)

<i>Number</i>	<i>Date</i>	<i>Description</i>	<i>Fiscal Impact</i>
12	4/20/2021	Annual Economic Change Adjustment, which the contract provides shall be applied to identified inflation sensitive billing items based on the U.S. Department of Labor's unadjusted Consumer Price Index for All Urban Consumers (the CPI-U), as described in Exhibit 4.0 section 10.	The aggregate fiscal impact is \$1,386,503.00. This amount is already budgeted for recovery in IT service rates.

[Managed Security Services \(MSS\) contract with Atos \(VA-180112-ATOS\)](#)

<i>Number</i>	<i>Date</i>	<i>Description</i>	<i>Fiscal Impact</i>
11	4/1/2021	This amendment adds an Enterprise Remote Access (ERA) service, which is cloud-based and provides secure remote access to applications and services based on zero trust network access control policies; modifies the Cloud Access Security Broker (CASB) service; and corrects Key Measurement 2.3.6.	There are two areas of impact: <ol style="list-style-type: none"> 1. CASB: This amendment changes the "per user" resource unit rate for contract years 2-4 and commits VITA to 58,000 users to support increased cloud access. These changes are already accounted for in the FY22 budget. 2. ERA enables ATOS to provide several services and helps VITA avoid costs. ATOS can now provide the Remote User Access service with an annualized cost of ~\$750K, replacing the previously-budgeted zScaler service, which costs ~\$855K per year. ATOS can now provide the Third Party Virtual Network Connection service, which costs \$30K per year. VITA anticipates the use of the ERA service will potentially result in additional savings in other service towers.

[Server, Storage, and Data Center Services \(SSDC\) contract with Unisys \(VA-180815-UC\)](#)

<i>Number</i>	<i>Date</i>	<i>Description</i>	<i>Fiscal Impact</i>
12	4/8/2021	Adds Cloud "Reserve Instances" (prepaying for certain usage) as an additional option for customers, instead of paying for consumption on an hourly usage basis.	AWS and Azure Public Cloud Services provide higher discounts for using Reserve Instances. Depending on the order and service selected, savings could be 20% to 60%.

[Voice and Data Network \(VDN\) contract with Verizon \(VA-151028-MCI5\)](#)

<i>Number</i>	<i>Date</i>	<i>Description</i>	<i>Fiscal Impact</i>
5E	4/13/2021	This amendment adds Digital CX, a Virtual Contact Center enhancement to improve customer experience, as an additional service.	The new services are optional, and this amendment does not obligate funds. To the extent agencies use such services, they will incur the charges set forth in the amendment for those services utilized.

Other Contract Changes¹

[Multisourcing Service Integrator \(MSI\) contract with SAIC \(VA-170822-SAIC\)](#)

<i>Date</i>	<i>Description</i>	<i>Fiscal Impact</i>
4/1/2021	Quarterly changes to Service Level Agreements (SLAs), in accordance with Continual Improvement provision	None

[Managed Security Services \(MSS\) contract with Atos \(VA-180112-ATOS\)](#)

<i>Date</i>	<i>Description</i>	<i>Fiscal Impact</i>
4/1/2021	Quarterly changes to Service Level Agreements (SLAs), in accordance with Continual Improvement provision	None

[Server, Storage, and Data Center Services \(SSDC\) contract with Unisys \(VA-180815-UC\)](#)

<i>Date</i>	<i>Description</i>	<i>Fiscal Impact</i>
4/1/2021	Quarterly changes to Service Level Agreements (SLAs), in accordance with Continual Improvement provision	None

[Voice and Data Network \(VDN\) contract with Verizon \(VA-151028-MCI5\)](#)

<i>Date</i>	<i>Description</i>	<i>Fiscal Impact</i>
4/1/2021	Quarterly changes to Service Level Agreements (SLAs), in accordance with Continual Improvement provision	None

¹ The infrastructure contracts permit certain changes to the contract documents, such as updated designations of key personnel or certain changes to service levels, to occur through notices rather than through the formal contract amendment process. Such changes are included in this report to be as thorough and transparent as practicable.

[End User Services-Computing \(EUS\) contract with Iron Bow](#) (VA-180915-IBTL)

<i>Date</i>	<i>Description</i>	<i>Fiscal Impact</i>
4/1/2021	Quarterly changes to Service Level Agreements (SLAs), in accordance with Continual Improvement provision	None
4/15/2021	Key Personnel update for Account Executive change	None

[Managed Print Services \(MPS\) contract with Xerox](#) (VA-180915-XERX)

<i>Date</i>	<i>Description</i>	<i>Fiscal Impact</i>
4/1/2021	Quarterly changes to Service Level Agreements (SLAs), in accordance with Continual Improvement provision	None
4/5/2021	Key Personnel update	None