

for March 2024

To: The Honorable Glenn Youngkin, Governor of Virginia
The Honorable Luke E. Torian, Chair, House Appropriations Committee
The Honorable L. Louise Lucas, Chair, Senate Finance & Appropriations Committee

From: Virginia Information Technologies Agency (VITA)

BACKGROUND / INTRODUCTION

VITA, on behalf of the Chief Information Officer of the Commonwealth, Robert Osmond, and the Secretary of Administration, Lyn McDermid, respectfully submits this report pursuant to [Item 93\(D\)](#) of the 2022 Appropriation Act, as amended in 2023, which provides:

“The Chief Information Officer and the Secretary of Administration shall provide the Governor and the Chairs of the House Appropriations and Senate Finance and Appropriations 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 report, VITA continues to report on the IT infrastructure services contracts and platform through other legislative and executive reporting and through the committees’ staff and Joint Legislative Audit and Review Commission (JLARC) staff.

REPORT

Copies of amendments (and other contract documents) are made available as soon as practicable 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>
25	3/15/2024	Annual Economic Change Adjustment (ECA), 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.	This ECA is for Contract Year 6. The aggregate fiscal impact is \$5,509,519. These amounts are already budgeted for recovery in IT service rates.

[Messaging Services contract with NTT Data \(VA-210517-NTT\)](#)

<i>Number</i>	<i>Date</i>	<i>Description</i>	<i>Fiscal Impact</i>
19	3/11/2024	Annual Economic Change Adjustment (ECA), 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.	This ECA is for Contract Year 3. The aggregate fiscal impact is \$800,150. These amounts are already budgeted for recovery in IT service rates.
20	3/5/2024	Allows NTT to obtain Microsoft Unified Support Enhanced Dedicated Engineer (EDE) hours via VITA's Microsoft enterprise contract.	None. VITA will deduct from NTT's invoice to pay for the hours NTT desires. Initially, that will be \$25,000 for a block of 100 hours.
21	3/21/2024	Adds Microsoft Teams Voice Enterprise System (TVES) services to the Microsoft 365 services under the contract. TVES is a phone service that is comparable in many aspects to the existing phone services but at a lower per user cost.	The cost of implementation over the remaining life of the contract is \$911,502. Expected monthly savings consist of \$52.72 per VCE user and \$12.80 per UCCaaS user. Total cost savings to the Commonwealth will depend on the rate of adoption of TVES.

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

<i>Number</i>	<i>Date</i>	<i>Description</i>	<i>Fiscal Impact</i>
18	3/15/2024	Added Uninterruptible Power Supply as an optional battery backup power service to critical network equipment for COV agencies during power outages.	The new services are optional, and to the extent agencies use such services, they will incur the one-time, per-device charges and monthly maintenance fee set forth in the amendment for such services.

Other Contract Changes¹

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

<i>Date</i>	<i>Description</i>	<i>Fiscal Impact</i>
3/15/24	Updates Key Personnel	None

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

<i>Date</i>	<i>Description</i>	<i>Fiscal Impact</i>
3/28/24	Updates Key Personnel	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.