

for April 2025

To: The Honorable Glenn Youngkin, Governor of Virginia
The Honorable L. Louise Lucas, Chair, Senate Finance & Appropriations Committee
The Honorable Luke E. Torian, Chair, House 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 81](#)(D) of the 2025 Appropriation Act, 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>
30	4/28/2025	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, and related corrections.	This ECA is for Contract Year 7. The aggregate estimated fiscal impact is \$900,000. These amounts are already budgeted for recovery in IT service rates.

[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>
23	4/4/2025	This modification increases the Hardware and Service Charge (HSC) Banding by 20% to address market cost and interest rate increases, which threaten the Commonwealth's ability to obtain required devices and functionality in certain categories.	As agencies refresh affected end-user devices, they will pay the updated device pricing, which will be incorporated in VITA rates moving forward. The total fiscal impact is indeterminate at this point because it depends on agency device choices and final prices when devices are ordered.

Other Contract Changes¹

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

<i>Date</i>	<i>Description</i>	<i>Fiscal Impact</i>
4/15/2025	Update of Exhibit 2.5 Transition Out Plan	None

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

<i>Date</i>	<i>Description</i>	<i>Fiscal Impact</i>
4/4/2025	Key Personnel update	None

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

<i>Date</i>	<i>Description</i>	<i>Fiscal Impact</i>
4/1/2025	Update of Exhibit 2.5 Transition Out Plan	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.

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

<i>Date</i>	<i>Description</i>	<i>Fiscal Impact</i>
4/15/2025	Update of Exhibit 2.5 Transition Out Plan	None

[Managed Public Cloud Services – Azure contract with NTT Data](#) (VA-240920-NTT)

<i>Date</i>	<i>Description</i>	<i>Fiscal Impact</i>
4/11/2025	Changes to certain One-Time Deliverables and Service Level Agreements	None