



Infrastructure contract amendments and modifications report – June 2026

To: The Honorable Abigail Spanberger, Governor of Virginia
The Honorable Luke E. Torian, Chair, House Appropriations Committee
The Honorable L. Louise Lucas, Chair, Senate Finance and Appropriations Committee

From: Virginia Information Technologies Agency (VITA)

Background/Introduction

VITA, on behalf of the Chief Information Officer of the Commonwealth, Mike Watson, and the Secretary of Administration, Traci Deshazor, 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

End User Services-Computing (EUS) contract with Iron Bow (VA-180915-IBTL)

Number	Date	Description	Fiscal Impact
30	06/15/2026	This modification increases the Personal Computer (PC) Hardware Service Charge (HSC) price bands by 25% to address significant market-driven increases in end-user device and financing costs. Current contract price bands no longer align with prevailing market prices, requiring VITA to adjust the contract to ensure the availability of devices that meet the Commonwealth's business and technical requirements.	The total fiscal impact in FY2027 cannot be determined with certainty because it is dependent on the specific PC device selected by agencies, the quantity of PC devices acquired, and the timing of agency refresh. At this time, it has not been determined whether VITA will adjust PC Hardware Service Charge rates billed to agencies to reflect these increased acquisition costs. As a result, the extent to which VITA will recover the additional costs associated with this modification, in FY2027, remains unknown. However, assuming agencies were to order standard devices based on the current refresh plan, the fiscal impact is \$1.3M in FY2026.

Enterprise Managed Security Services (MSS) (VA-250925-GDIT)

Number	Date	Description	Fiscal Impact
Mod 3	06/01/2026	Consolidate Exhibits 3.1 and 3.2 into a single Exhibit.	None
Mod 4	06/23/2026	Administrative changes, correction of CASB RU definition	None

Other Contract Changes¹

End User Services-Computing (EUS) contract with Iron Bow (VA-180915-IBTL)

Date	Description	Fiscal Impact
06/30/2026	The formal communication directs Iron Bow to recommence the device refresh process, which has been suspended for a period of one year.	None

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

Date	Description	Fiscal Impact
06/12/2026	Exhibit 3.1 and 3.4 are amended. Two tower-specific reports were suspended, and one of them turned to an RCD (Recurring Critical Deliverable).	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.