



Virginia Information Technologies Agency



VITA Briefing

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**Senate Finance Subcommittee on
General Government**

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expect the best



Presentation Topics

- IT Partnership Update
- Governor's Budget Amendment
- Update on Service Rate
- Major IT Projects



IT Partnership - Highlights

- The Commonwealth will get a reliable and agile 21st century IT infrastructure for what it's paying to maintain a 1980s IT infrastructure
- The agreement is valued at \$1.98 billion over 10 years, with one 3-year extension
- \$272 million total capital investment by Northrop Grumman
 - New, state-of-the-art, secure facilities in Chesterfield and Russell Counties
 - Self-funded model (savings and cost avoidances)
- Consistent and proactive technology refresh
- Significant job creation

Transformation: The Whole Picture

Messaging Services



- Enterprise Exchange/Outlook Email
- Enterprise Collaboration Tools
- Active Directory, DNS

\$25M Investment

Mainframe and Servers



- New IBM and Unisys Mainframes in New Data Center
- Consolidation and Refresh of Servers
- Migration of servers to the Data Center

\$50M Investment

Facilities Tier 3 and Tier 2



- New Data Center/Office Building in Chesterfield
- New Disaster Recovery Center and Help Desk in Russell County

\$60M Investment

Desktop



- Mass Desktop Refresh Projects
- Network Printer Consolidation and Refresh
- Enterprise Desktop Management Systems

\$35M Investment

Help Desk



- Enterprise Help Desk in Russell and Chesterfield Counties
- Field Based Agents and Technicians for Level 3
- Enterprise Help Desk System (Peregrine)

\$10M Investment

Transformation

\$270 Million Investment

**Reliable, High Performance,
Enterprise-Wide IT Infrastructure**

“People – Process – Tools”

Network



- New Commonwealth-wide MPLS Core WAN
- LAN upgrades to Local Switches/Routers as Needed
- Network Re-addressing of IP, DHCP

\$60M Investment

Security



- Enterprise Security Operations Center
- Computer Security Incident Response Center
- Secure Internet Gateway

\$10M Investment

Voice / Video



- Voice over IP Network Optimized for Voice and Video Traffic

\$20M Investment



IT Partnership - Successes

- Number of VITA employees accepting job offers was the first significant success for the IT Partnership
 - 846 VITA employees received offer letters; 66.9% (566) accepted
- Northrop Grumman successfully assumed operational and technical responsibility for information technology infrastructure on July 1
- Ground breaking for the Commonwealth Enterprise Solutions Center (CESC) facility in Chesterfield County on May 23, with completion anticipated in summer 2007
- Ground breaking for back-up data center in southwest Virginia (Russell County) was October 27, with completion anticipated in fall 2007



Governor's Budget Amendment

- Governor's Budget restores \$3.3M in savings
- Achieving savings was an impetus for IT consolidation
- FY04-05 VITA savings were achieved and some reverted by DPB
- With General Assembly and Governor approval of Northrop Grumman partnership agreement, savings were committed to repayment of IT Partnership capital investment



VITA Savings – Key Issue

- Success of IT Partnership is dependent on fundamental concept that savings realized by Northrop Grumman will help pay for its significant capital investment (\$270M)
- Bottom line – with contractual partnership obligation there are no “uncommitted savings” available for withdrawal from agency budgets
- Post-partnership savings will be returned to the state as generated by the contract - \$30M per year



VITA's Service Rate

- Federal Government required a single service rate plan in order for Commonwealth to be compliant
- New rate plan developed with state agency assistance and has been approved by JLARC, ITIB and HHS retroactive to July 1, 2006
- No increase in VITA expenses under new rate, but it will require a significant redistribution of agency IT funds



Major IT Project Status Report Summary

CIO Assessment	Number	Percent	Dollar Value	Percent
Red	0	0.0%	\$0	0.0%
Yellow	5	20.0%	\$26,360,743	5.2%
Green	17	68.0%	\$469,633,992	93.1%
Suspended	1	4.0%	\$1,502,000	0.3%
Closeout	2	8.0%	\$6,977,000	1.4%
Total	25	100.0%	\$504,473,735	100.0%

NOTE: See the October ITIB Major IT Project Status Report (provided separately) for a complete status of the Commonwealth major IT project portfolio.



For More Information on VITA

www.vita.virginia.gov

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