



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 21<sup>st</sup> 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](http://www.vita.virginia.gov)

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