



Virginia Information Technologies Agency

IT Contingent Labor (ITCL) Solicitation Update

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VITA Supply Chain Management

AITR Meeting

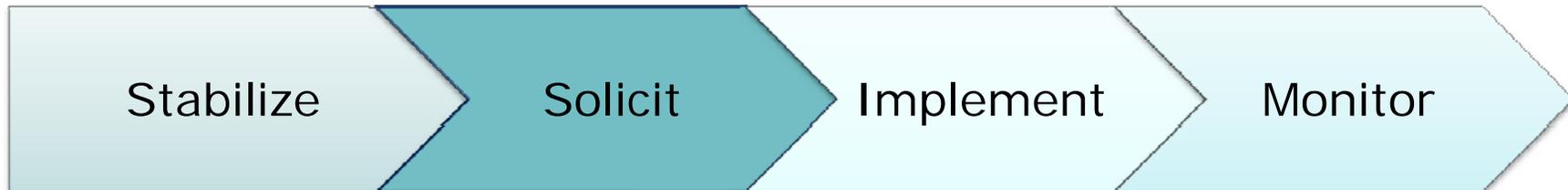
Dec. 12, 2012





Background

ITCL Contract Re-solicitation Phases



After termination of Zero Chaos contract, primary objective was to stabilize services



ITCL contract is VITA's second-largest services agreement

Staff augmentation

- 392 resources currently engaged
- 40 job categories with 125 levels
- 50 agencies using services
- 15 non-executive branch users
- Programmer/Programmer analyst job titles had highest spend

Statement of work (SOW)

- 40 current active engagements; 59 completed
- 15 specialty areas
- 29 agencies using SOW services
- Application development is most utilized specialty area
- Average customer satisfaction score of 4.5 on a five-point scale



Contract has large subcontractor network

446 subcontractors in CAI network; 352 supporting staff augmentation; 94 supporting SOW program

- 196 (44 percent) are Virginia firms
 - 26 Virginia firms have been awarded \$11+ million in business in other CAI managed service provider (MSP) contracts
- 219 (49 percent) of these are SWaM suppliers
 - SWaM suppliers won 70 percent of the competitive staff augmentation engagements with 53 percent of the spending during the past year
 - SWaM business submitted 42 percent of the SOW proposals and SWaM businesses have been awarded 56 percent of the SOW projects during the past year



Contract trends - last four quarters

- On average, 16 candidates have been submitted per requisition during the last year
- Trend is moving downward (12.3 – most recent quarter) indicating a tightening IT labor market
- Average bill rate for competitive engagements is \$75.64; \$130.10 for exceptions and \$79.37 overall
- 114 SOW proposals from 35 specialty suppliers were submitted for 47 statement of requirement requests
- Average budget for new SOWs is \$241,300



Solicitation purpose

- Replace CAI contract for MSP services that expires Dec. 31, 2013
- Continue MSP model and enhance services
- Implement new contract prior to expiration

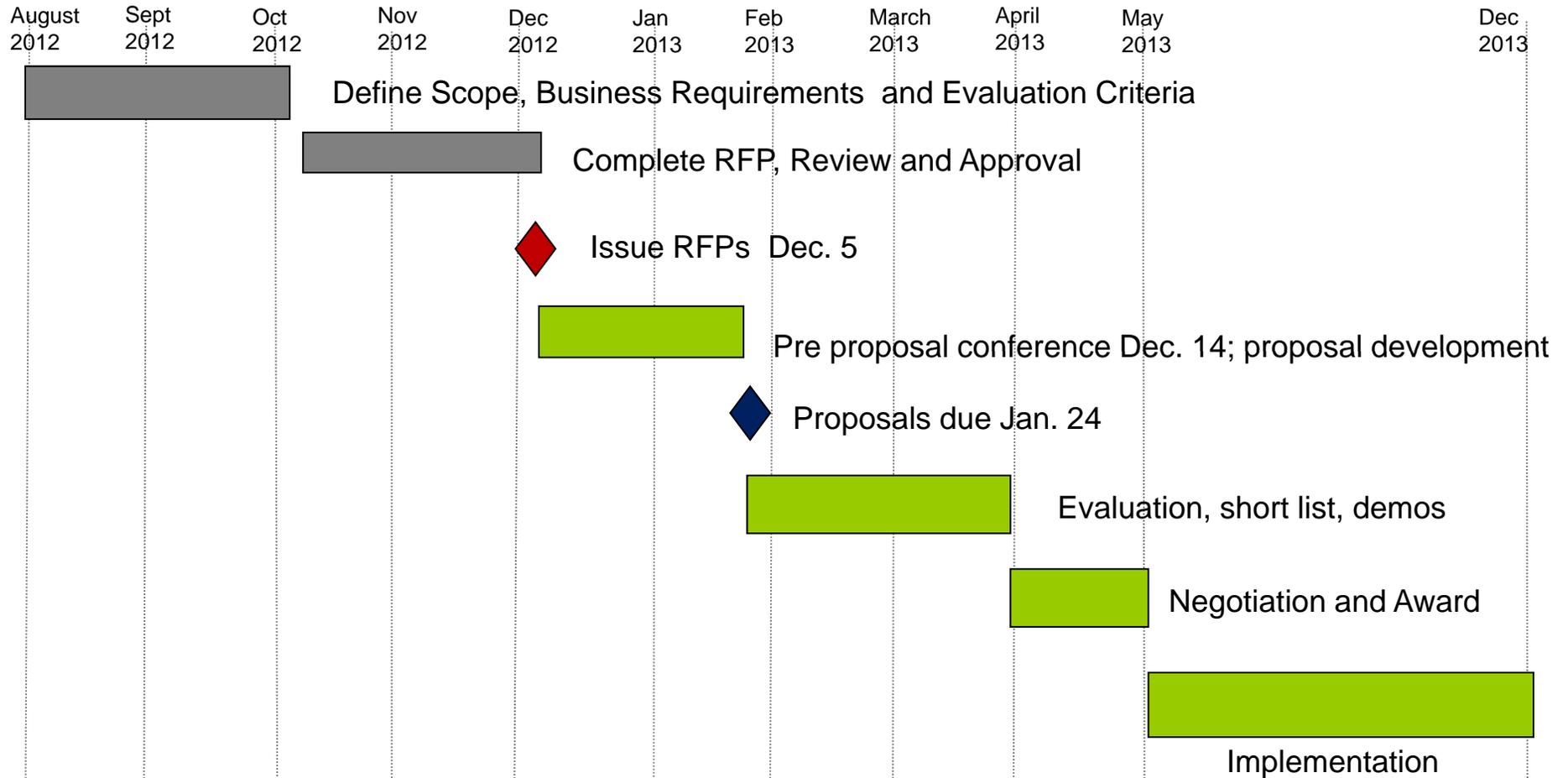


Solicitation approach

- Seeking experienced MSP provider
- Requiring vendor-neutral model with MSP responsible for SOW subcontractor performance
- Requesting MSP to provide independent vendor management system (VMS)
- Structuring contract to be coterminous with fiscal year end



ITCL MSP Timeline





Next steps

- Evaluate proposals, negotiate and award contract
- Develop and execute communications to customers (IT, Procurement and Finance), subcontractors and resources
- Enroll subcontractors into program with MSP – new subcontracting agreements
- Configure, test and implement VMS system
- Develop training material and train subcontractors, agencies and resources
- Collect and validate current resource census and transition resources
- Set up and validate reporting
- Enter new purchase orders under new contract prior to December 2013