



Virginia Information Technologies Agency

VITA Overview and Proposed Contract Modifications

George F. Coulter
CIO of the Commonwealth

Senate Finance
General Government Subcommittee
February 2, 2010



VITA overview

- 2003 - VITA was created by the General Assembly to:
 - Provide statewide IT infrastructure services
 - Provide IT governance, including major IT projects and security
 - Procure IT goods and services
 - Support E-911 services for 137 local governments and host statewide Geographic Information System (GIS) data/maps
- 2003-2004 – Transferred IT assets/staff from 90+ agencies
- 2005 – Signed 10-year, \$1.9 billion infrastructure agreement with Northrop Grumman to modernize IT infrastructure
- 2009 – Chief Applications Officer and Virginia Enterprise Applications Program merged into VITA



Current activities and CIO priorities

- Getting the infrastructure program back on track
 - Changed leadership, restructured the program in September 2009
 - New CIO, new Northrop Grumman program management
 - Made significant transformation progress
 - Nearly 80% of transformation is complete and 100% of transformation complete at 41 agencies
 - Addressing JLARC findings, recommendations
 - Developing contract amendment
 - Working Northrop Grumman proposed contract amendment through review process with stakeholders, including legislators
- Improving customer service
 - Created customer service teams
 - Established CIO Council for advice, assistance



Current activities and CIO priorities

- Managing IT investments
 - No major IT project failures since 2003
 - Oversee portfolio of 51 major IT projects valued at \$739 million
- Replacing antiquated enterprise applications
 - Awarded contracts for financial management and performance budgeting systems
 - Launched business intelligence service
- Enhancing security, public safety
 - Significantly enhanced security of sensitive information held by all branches of state government
 - Overseeing the statewide E-911 program to deploy location technology to find 9-1-1 callers more quickly



Planned activities

- Complete infrastructure transformation by July 1, 2010
- Finalize Commonwealth data standards to support the new financial management system by June 2010
- Implement enterprise applications
 - Performance budgeting (phase I) – August 2010
 - Financial management (VDOT rollout) – July 2011
- Update aerial photography for Virginia Base Mapping program
 - Eastern portion delivered in 2009
 - Western portion due in 2011
- Implement GIS five year strategic plan
- Support technology aspects of federal grant programs in broadband mapping, health IT and education/workforce development



Virginia Information Technologies Agency

Proposed contract modifications





Understanding the contract

- 2005 contract defined the services to be delivered and inventory estimates for each service
- Contract is based on consumption, not a fixed price
 - \$236 million cap includes existing services at 2005 levels and infrastructure modernization
 - New services and growth fall outside of the \$236 million cap
- Required comprehensive inventory and baseline adjustment upon completion
- Commonwealth has some ability to manage costs by managing consumption

Need to amend the contract

- With actual inventory now completed, current contract requires readjustment to the baseline

Billing from
2005 estimates



Billing from
actual usage

- The contract must be amended for two reasons:
 - Ensure compliance with federal funding guidelines
 - VITA needs it to make adjustments to rates it charges agencies



Proposed amendment – new services

- PC encryption – additional security for citizen data
- Managed router/firewall – unbundled network solutions
- Secure wireless access points – wireless end user connectivity that is compliant with the new security standard
- Additional disaster recovery – services above the baseline
- Bandwidth – upgrade bandwidth and/or request redundancy



Financial Proposal

	FY2010	FY2011	FY2012->
Proposed Amendment, Including Additional Services	\$5M	\$35M	\$37.5M
Estimated Federal Funding	-\$1M	-\$9M	-\$9M
Estimated Consumption Savings	\$0M	-\$3M	-\$6M
Net Estimated State Funds (GF/NGF)	\$4M	\$23M	\$22.5M