



Virginia Information Technologies Agency

# Agency Impact: IT Infrastructure Program Contract Modifications

Monday, May 3, 2010



# Today's topics

- History and Context
- High-Level Overview
  - Contract Amendments
  - What's Changing
  - Agency impacts
    - Transformation
    - New services
    - Asset management and operational efficiencies
- Next steps
- Questions



# History and Context

- VITA Vision
  - Consistent, uniform, disciplined approach to managing IT resources
    - IT Standards
    - Consolidation
    - Shared resources
    - Leveraged buying Power
    - Security of Commonwealth Data and Networks
    - Project management
- Comprehensive Infrastructure Agreement (CIA) Modifications
  - 2005 PPEA
  - Negotiations began last year
  - Completed on Wednesday, March 31. Announced Tuesday, April 6
  - Joint VITA/NG briefing on April 13
  - 4<sup>th</sup> year of 13 year contract



## History and Context - continued

- Business Objectives of negotiations:
  - Resolve outstanding issues between VITA and NG
  - Improve operations and customer service
  - Clarify services and scope of work
    - Define who is responsible for what
  - Establish greater accountability
    - Clear performance metrics and a distinct dispute process
  - Address customer business needs
    - New services, options and tiered pricing
  - Complete rebaselining
  - Address financial issues



# Contract Amendment Highlights

The amendments set the tone for a more productive working relationship:

## 1.) Performance improvements

- Expedites service and response
- Provides agencies greater flexibility over administrative tasks
- Improves speed and quality of procurement and service requests
- Overhauls help desk services
- Adds new services and pricing options
- Moves desktop upgrades forward

## 2.) Accountability and operational efficiencies

- Consolidates and strengthens Service Level Agreements (SLAs)
- Increases SLA penalties by 15%
- Creates a clear, faster dispute resolution process
- Establishes three-month review period to ensure performance

## 3.) Financial

- Extends contract three years
- Allows billing from a rebaselined inventory
- Provides for developing resource units (RUs) for new services



## What's Changing? How Is It Structured?

- Amendment No. 60
  - P x Q (price x quantity)
  - Scope clarifications
  - Expedited dispute resolution
  - New services and specific agreement to needed services (engineering change proposals - ECPs)
  - New tiered solutions
  - Consolidated SLAs
  - Transformation and legacy operations framework
- Amendment No. 61
  - Cost of living adjustment
  - New pricing tables (from Northrop Grumman to VITA)
- Operational improvement initiatives
  - Priority of Governor, Secretary of Technology and CIO



# Overview of Agency Impacts

What are the impacts to agencies?

1. Transformation \*\* time sensitive \*\*
2. New services and specific agreement to needed services (ECPs)
3. Asset management and operational efficiencies
4. Operational improvement initiatives
5. Revised Rates



## What is 'Transformation'?

- Centralized monitoring , management and support of Agency infrastructure
- Includes several 'towers'
  - Email, Helpdesk, Network and Servers now managed by partnership
  - Regional support model for support
  - Hardware (desktop) refresh
  - Security and network monitoring
    - 24x7x365
  - Standard toolsets installed on desktops/servers



# Agency Impact: Transformation

Contractual deadlines and obligations for non-transformed agencies:

- Jan. 1, 2011 – Start date for additional “legacy” charges
  - Agencies that have not completed transformation will incur additional labor charges to support non-transformed systems if vendor complied with the agency transformation plan
  - Specific costs to be determined and shared with agencies
  - ‘Legacy’ Includes: Servers, PCs, Messaging, Help Desk, Network
  - Deadline does not apply if a later completion date is specified in transformation plan
- Dec. 31, 2010 – Deadline for completing transformation
  - Applies to VDOT and nontransformed agencies that already have a signed agency transformation plan
  - DMAS, VSP, VDEM, VDFS, & VEC deadline will be as soon as practicable as specified in their agency transformation plan
- May 15, 2010 – Deadline for having a signed agency-approved transformation plan
  - This deadline applies to non-transformed agencies that have not already signed an agency-approved transformation plan
  - This deadline applies to VSP, VDEM, VDFS, VEC & VDOT
  - If agency does not sign an agency transformation plan by this date, completion date will be affected
- Change Mgmt Process



## Agency Impact: New Services

- Provides needed services to meet business needs
  - Wireless
  - Data Encryption
  - Managed firewall
  - Enterprise virtual private network (VPN)
  - Voice over Internet protocol (VoIP)
- Provides tiered solution options with different price points to meet budget and business needs
  - Servers
  - Storage
  - Printers
  - Copiers
  - Disaster recovery (DR)



## Agency Impact: Asset Management and Efficiencies

- Allows Northrop Grumman to redeploy hardware
- Eliminates new active reserve assets (spares)
- Improves ordering and work request processes
- Defines distinct, fast dispute resolution process
- Documents pricing approach to agency relocation and upgrades
- Updates desktop/laptop standard configurations
- Clarifies external secure socket layer (SSL) certificates



## Agency Impact: Performance Measurements

- Strengthens SLAs and accountability
  - Consolidates SLAs
  - All SLAs are “in play” every month
  - Increases penalties by 15%
  - Requires provision of agency level SLA reports
  - Requires enhanced problem management at an agency site when SLA-related problems recur



## Agency Impact: Operational Improvement

- Improving operations and customer service is a top priority
- Seven 'improvement' initiatives will be tracked and monitored
  - Teams will identify one or two key performance metrics by May 1
- VITA and Northrop Grumman are committed
  - Operational improvement initiatives signed by Secretary of Technology and Northrop Grumman VP/General Manager



## Agency Impact: Improvement Initiatives

#	Initiative	Objective
1	Rapid Response Team	Resolve on-site incidents faster
2	Agency tech lead empowerment	Provide agencies flexibility to handle routine changes
3	Laptop/desktop depot service	Fix hardware issues quickly with spare equipment and parts
4	RFS process and technology architecture/solutioning redesign	Make the RFS process faster and more effective
5	Inventory/billing disputes team	Resolve billing and inventory disputes faster and effectively
6	Help desk redesign	Improve overall help desk service and support
7	Password reset SLAs	Take care of password resets within one hour



## Next steps

### Immediately

- Managing action plans, timelines
- Developing communications plan and materials
- Defining performance measures for operational improvement initiatives by May 1
- Developing transformation plans for agency review and signoff by May 15
- Develop enhanced ordering processes by Aug. 1
- Creating list of proposed operational improvements by Aug. 15

### Calendar year 2010

- Completing transformation by Dec. 31
- Developing new rates for JLARC approval (May 10 - interim)
- Implement operational improvements
- Implement new services (ECPs)



# Questions?

- Resources:
  - <http://www.vita.virginia.gov>
    - Contract amendments 60 and 61 (language)
    - Operational Improvement Initiatives work plan