

ATTACHMENT 10.1.13
TO THE
COMPREHENSIVE INFRASTRUCTURE
AGREEMENT
PRICING ASSUMPTIONS

NORTHROP GRUMMAN PRICING ASSUMPTIONS

General Assumptions

Northrop Grumman has conditioned its proposal on the following assumptions:

- The Northrop Grumman transition project plans are highly dependant upon one another. Any Commonwealth directed adjustments to the proposed transition projects may require re-pricing and may impact the scheduled implementation of SLA based managed services.
- Mutually acceptable acceptance test procedures and criteria for the critical milestones for all Fixed Price projects during the transition period shall be mutually agreed to prior to initiating performance on the projects.
- Northrop Grumman assumes that the following (Raptor Security Manager, Nortel Optivity, CiscoWorks for LAN and Cisco Works for Routed WANs, Network Node Manager consoles, Cisco VMS, RSA SecureID and Network Sniffers) will be provided as Customer Furnished Equipment (CFE) items, and that these can be moved to the proposed Integrated Help Desk/NOC/SOC in Virginia.
- Security clearances or other agency specific clearances such as HIPAA, will be provided in a timely fashion by the Commonwealth.

Desktop Assumptions

- Commonwealth has valid licenses for all software deployed in all of the agencies as of the Service Commencement Date. If there are known instances of software found to be running without license, it is the responsibility of the Commonwealth to true-up these anomalies.
- User will take reasonable measures (to be mutually agreed upon) to prepare for technological refresh. Such measures will include deleting old, unnecessary files, deleting personal music, personal movie files, and ensuring their critical data is in the “My Documents” or desktop folder.
- Northrop Grumman has provided one configuration of laptop, desktop and tablet in our pricing. We have assumed all agencies will select the “Standard” desktop, laptop and tablet equipment with no optional equipment, for refresh.

Standard Desktop Configuration quoted contains the following	
Operating System:	Microsoft® Windows® XP Professional Edition (SP2)
Processor:	Intel® P4 2.80GHz
Memory:	512MB DDR2-533 SDRAM
Hard Drive:	40GB SATA
Floppy:	3.5" 1.44MB diskette drive
Optical Drive:	48x/32x/48x CD-RW/DVDRom combo drive
Monitor:	17" LCD Flat Panel Display (17" viewable)
External Ports:	(2) Front facing USB 2.0 ports (minimum)
Keyboard:	Standard Keyboard
Mouse:	Wheel Mouse and mouse pad
Sound System:	Integrated Audio
Network Adapter:	10/100/1000 Twisted Pair Ethernet
Warranty:	3-, 4- or 5-year Next Business Day (depending on refresh schedule selected)

Standard Laptop Configuration quoted contains the following	
Operating System:	Microsoft® Windows® XP Professional Edition
Processor:	Intel® Pentium® M 1.6GHz or similar
Mobile Technology:	Intel® Centrino™ Mobile Technology
Memory:	512MB SDRAM
Hard Drive:	40GB
Floppy Drive:	3.5" 1.44MB diskette drive
Optical Drive:	Modular 24x/10x/24x CD-RW/8x DVDRom combo (or similar)
Screen:	
Multimedia Package:	Integrated sound and stereo speakers, headphone/speaker jack/mic jacks (or similar)
Battery:	Lithium ion battery with AC pack and 1 yr. limited battery warranty (or similar)
Modem:	Integrated V.90 56K Modem
Network Adapter:	10/100/1000 Ethernet Adapter
Integrated Wireless Networking Adapter:	Integrated 802.11b/g wireless networking (or similar)
Limited Warranty:	3-, 4- or 5-year Next Business Day (depending on refresh schedule selected)
Carrying Case:	Carrying Case

Standard Tablet Configuration quoted contains the following	
Operating System:	Microsoft® Windows® XP Tablet PC Edition
Processor:	Intel® Pentium® M 1.8GHz (or similar)
Memory:	1 GB SDRAM
Hard Drive:	60GB
Floppy Drive:	Integrated 4-in-1 Memory Card Reader (or similar, or floppy)
Optical Drive:	Integrated 24x/10x/24x CD-RW and 8x DVD combo (or similar)
Screen:	
Multimedia Package:	Integrated sound and stereo speakers, headphone/speaker jack/mic jacks (or similar)
Battery:	Lithium ion battery with AC pack and 1 yr. limited battery warranty (or similar)
Modem:	Integrated V.92 56K modem
Network Adapter:	Integrated 10/100/1000 Ethernet adapter
Integrated Wireless Networking Adapter:	Integrated 802.11a/b/g wireless networking or similar
Limited Warranty:	3-, 4- or 5-year Next Business Day (depending on refresh schedule selected)
Carrying Case:	Carrying Case

- We believe VITA may want to offer agencies a “premium” model of desktop and laptop that can be offered at a slightly higher per unit fixed price. We are including herein a suggested sample premium configuration. Pricing for these premium configurations are available on request:

Premium Desktop Configuration suggested contains the following	
Operating System:	Microsoft® Windows® XP Professional Edition (SP2)
Processor:	Intel® P4 3.60GHz
Memory:	1 GB DDR2-533 SDRAM
Hard Drive:	200GB or similar SATA
Floppy:	3.5" 1.44MB diskette drive
Optical Drive:	16x Double-Layer Multi-Format DVD±R±RW/CD-R/RW recorder or similar
External Ports:	(2) Front facing USB 2.0 ports minimum
Monitor:	19" LCD Flat Panel Display (19" viewable)
Video:	ATI Radeon or similar graphics controller with dedicated memory (128mb min)
Keyboard:	Standard Keyboard
Mouse:	Wheel Mouse and mouse pad
Sound System:	Integrated Sound
Network Adapter:	10/100/1000 Twisted Pair Ethernet
Warranty:	4- or 5-year Next Business Day (depending on refresh schedule selected)

Premium Laptop Configuration suggested contains the following	
Operating System:	Microsoft® Windows® XP Professional Edition
Processor:	Intel® Pentium® M 2.0GHz
Memory:	1 GB DDR2 SDRAM
Hard Drive:	60GB
Floppy Drive:	Integrated 4-in-1 memory card reader
Optical Drive:	Integrated 8x Multi-Format DVD Writer (DVD±R/±RW/CD-RW) or similar
Screen:	17" TFT Active Matrix or similar
Video:	ATI Radeon or similar with dedicated 64MB Graphics RAM
Additional Mouse:	USB Optical Mouse
Multimedia Package:	Integrated sound and stereo speakers, headphone/speaker jack/mic jacks (or similar)
Battery:	Lithium ion battery with AC pack and 1 yr. limited battery warranty (or similar)
Modem:	Integrated V.90 56K Modem
Network Adapter:	10/100/1000 Ethernet Adapter
Integrated Wireless Networking Adapter:	Integrated 802.11a/g wireless networking card (or similar)
Limited Warranty:	3-, 4- or 5-year Next Business Day (depending on refresh schedule selected)
Carrying Case:	Deluxe Carrying Case

- Northrop Grumman has included the cost to refresh items noted as “Replace when required” twice during the base contract.
- Desktop application software is not included in Northrop Grumman’s price.

Security Services Assumptions

- Northrop Grumman has assumed that the current forensic software will be provided by VITA.
- Northrop Grumman has assumed that 500 servers are categorized as mission critical and will require IDS and firewall software.
- Northrop Grumman has assumed that antivirus software will be provided by the Commonwealth and the Commonwealth’s agencies.

Messaging Services Assumptions

- Northrop Grumman has assumed that if migration of an application is not possible as part of the messaging migration project, owners of agency applications will provide the necessary development needed to redesign or recode the application to function properly. Such applications shall be modified in accordance with a schedule and at a price to be mutually agreed by the parties.

- Northrop Grumman has assumed that messaging systems that cannot be retired due to embedded applications will be reduced in servers and left operational only to provide minimum requirements. Servers containing these applications will be properly maintained and administered but will be included in SLA performance measurements to be mutually agreed upon by the Parties.

Mainframe and Server Services Assumptions

- Special forms for mainframe print are not included in our price.

Data Network Management Assumptions

- Northrop Grumman has assumed that VITA will do all of the cabling required to support the LAN infrastructure upgrade.

Voice and Video Telecom Assumptions

- Northrop Grumman will charge VITA for a Data Network Ethernet Port Resource Unit for any VoIP Service not connected in serial with a desktop or laptop computer. An example of this case is a Conference Room VoIP Service which is consuming an Ethernet Port for connectivity. VoIP Services connected in serial with a PC will not be charged for a Data Network Ethernet Port Resource Unit, only the desktop or laptop computer will be charged. This applies only for the hosted VoIP Services and does not apply to the premise-based (aka "Call Manager") VoIP Services.
- Northrop Grumman has assumed that VoIP will be implemented to 35,000 End Users or approximately 87% of the current 40,000 Centrex line basis. This is not to be construed as a minimum commitment on the part of VITA, it is simply the quantity used by Northrop Grumman for planning purposes.
- Northrop Grumman has assumed that if during the Term, any new Government surcharges related to Vendor's provision of audio and data conferencing services to the Commonwealth are imposed, the Parties agree to meet to discuss any necessary adjustments to Fees. The Parties agree to cooperate with each other to more accurately determine its own Government surcharge liability and to minimize such liability to the extent legally possible without compromising the quality or quantity of the services provided.
- VoIP is subject to the FCC Federal Universal Service Fund (FUSF) fee. The FCC has established a safe harbor rule that permits VoIP providers to contribute only 64.9% of the applicable FUSF rate on interconnected VoIP service revenue. Northrop Grumman has

included in its base VoIP rates, a FUSF expense of 5.9% (adjusted for the safe harbor rule). This was calculated using the FUSF rate of 9.1% as of 4Q06 (9.1% multiplied by 64.9% equals 5.9%). The FCC adjusts FUSF on a quarterly basis. Accordingly, Northrop Grumman will apply a surcharge to the VoIP resource unit rates should the expense increase beyond 6.9% as a result of any change by the FCC. As long as the expense to Northrop Grumman for FUSF remains within the 5.9% to 6.9% range, VITA will not incur a surcharge. Once the expense exceeds 6.9% for any reason, the surcharge will be equal to the then calculated FUSF rate less the 5.9% baseline. For example, if the FUSF expense increases to 7.5%, the surcharge will be equal to 1.6% (difference between 7.5% and 5.9%).

- The following modified process will apply to Reduced Resource Credits calculations for the VoIP Basic Phone Set, VoIP Standard Phone Set, VoIP Enhanced Phone Set, VoIP Receptionist Phone Set and VoIP Conference Phone Set resource units in lieu of the one specified in Section 5.3.5 of Schedule 10.1. Until the baseline resource unit quantity is achieved (i.e., up until the time when the actual resource unit quantity first equals or exceeds the baseline resource quantity), the Reduced Resource Credit computation specified in Section 5.3.5 of Schedule 10.1 shall be modified to utilize the Unit Rate specified in Attachment 10.1.5 instead of the Reduced Resource Credit Rate specified in Attachment 10.1.8. Once the baseline resource unit quantity has been achieved, the Reduced Resource Credit computation shall be made as specified in Section 5.3.5 of Schedule 10.1 without modification.