



VITA Update

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House Appropriations Committee

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Agenda

- 2016 Transition Model
- Expedited Transition
- Messaging Service Update
- Work Requests/eVA Orders Update
- Completion of Procurements
- Full Multi-Supplier Implementation
- Multi-Supplier Cost Projections
- VITA's Line of Credit



Projected Timelines [from 1/20/16]

IT Sourcing

Plan
2014 - 2015

Procure
2016 - 2018

Transition
NLT 2019

Disentangle

Plan
2017 - 2018

Disentanglement
NLT Oct 2018

Maintain

Operations, Security and Oversight

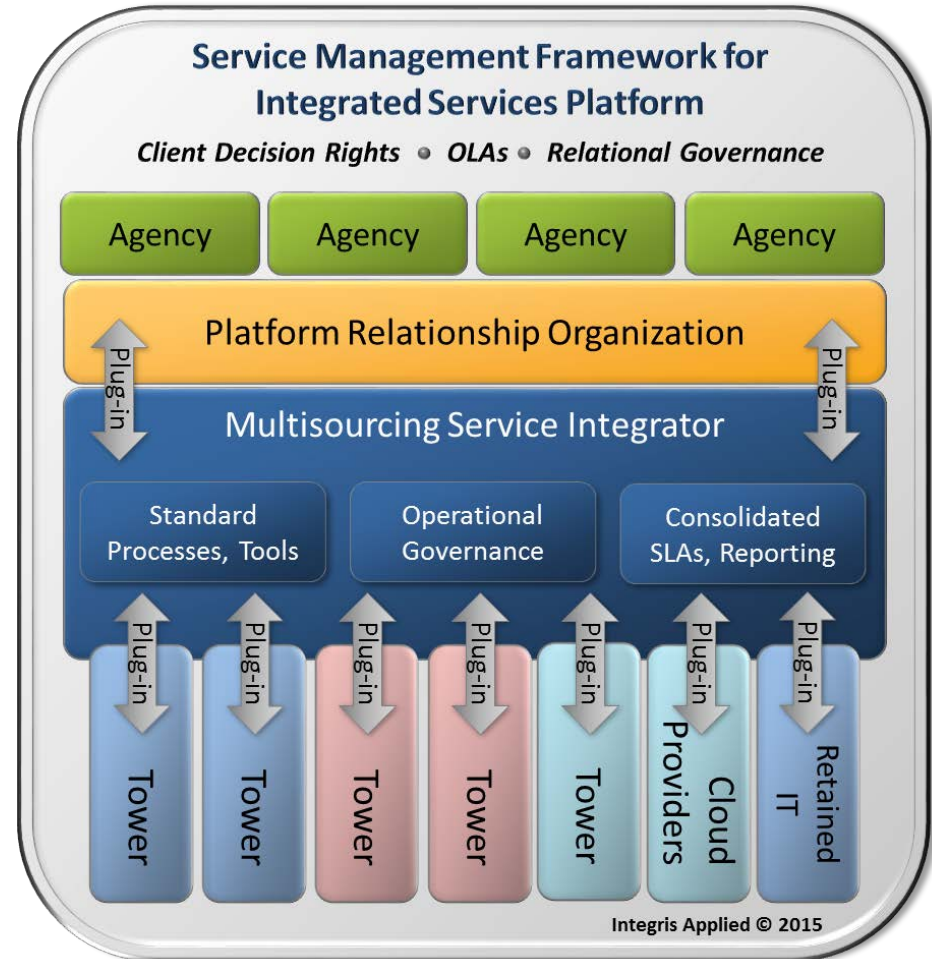
IT Sourcing Multi-Supplier Model

- Adopted in 2016
- Separate contracts for:

- Multisourcing service integrator, and

Towers:

- Messaging (email)
- IBM mainframe
- Security
- Server/storage & data center
- End user services
- Voice & data network



Expedited Transition

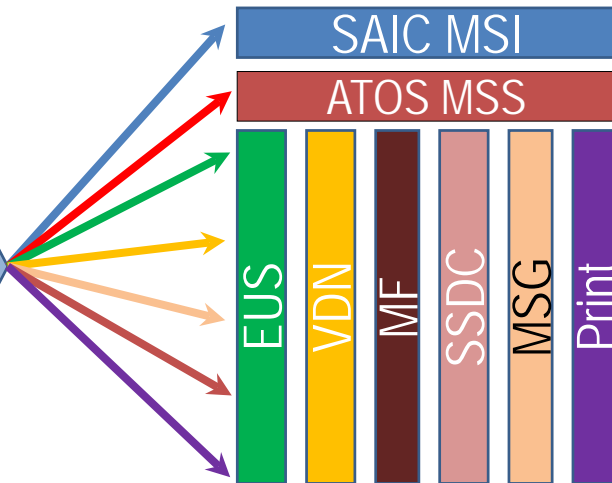
90-Day Transition
May 25 – Aug. 17

Four-Month Operation
Aug. 18 – Dec. 15



Aug. 17 | Aug. 18

Walk-in, take-over





Messaging (Email) Service Update

- Backlog of email service tickets has been eliminated
 - Ticket queue reduced to normal levels
 - Nearly 3,000 email service tickets in the middle of July; normal levels are approximately 250 per day
- Tempus Nova agrees that existing contract negotiated by VITA requires 24/7 messaging support
- VITA is working with Google to address limited functionality of Google Drive
 - Google has offered short-term and long-term plans to allow CoV users full functionality



Work Requests/eVA Orders Update

- Backlog of work requests and eVA orders was caused by a slow down in delivery of these services by Northrop Grumman prior to Aug. 17
 - VITA worked to minimize this backlog where possible during final months of NG services
- Resolution:
 - Work requests - VITA and SAIC continue to prioritize work requests, devote resources to eliminate backlog
 - eVA orders – SAIC has substantially increased the number of fulfilled orders over the last month; backlog is decreasing



Procurements Are Complete

Service	Contract Execution	Service Commencement	Supplier
Messaging (email)	July 20, 2016	March 26, 2018	Tempus Nova
IBM mainframe	Sept. 26, 2016	June 5, 2017	Perspecta
Multisourcing service integrator (MSI)	Aug. 31, 2017	Oct. 2, 2018	SAIC
Security	Feb. 20, 2018	Nov. 5, 2018	Atos
Expedited transition	May 18, 2018	Aug. 18, 2018	SAIC
Server/storage and data center	Aug. 8, 2018	Dec. 15, 2018	Unisys
Voice and data network	Aug. 20, 2018	Dec. 15, 2018	Verizon
End-user services	Sept. 25 2018	Dec. 15, 2018	Iron Bow – PCs Xerox – print



Full Multi-Supplier Implementation

- November 5 – SAIC transitions enterprise security services to Atos
- December 15 – SAIC transitions enterprise services to the suppliers listed:
 - End-user computing (PCs): Iron Bow
 - Server/storage and data center: Unisys
 - Voice and data network: Verizon
 - Managed print: Xerox
- December 15 – SAIC fully assumes its role as multisourcing service integrator (MSI), coordinating and integrating service delivery of all of the suppliers listed above, as well as two services already provided by other suppliers:
 - IBM mainframe: Perspecta
 - Messaging (email): Tempus Nova



Multi-Supplier Cost Projections

- Multi-supplier model costs are now projected to be \$154M (6.9%) less than NG spend over 8-year period
 - Analysis used conservative modeling
 - Based on all executed contracts
- Key assumption: VITA transitions to new suppliers on 12/15
- Does not include:
 - Agency application remediation costs if required to support migration out of current data center
 - Costs associated with any potential delays
- Variables:
 - Unknown outcome of litigation with Northrop Grumman
 - New model has no data to help predict cost volatility



VITA's Line of Credit

- VITA's line of credit increased from \$75M to \$165M in next biennium
 - Increase necessitated by impact of expedited transition on commonwealth's obligation to make one-time \$68M payment to Northrop Grumman for assets
 - This LOC use also enabled VITA to avoid paying oncoming suppliers interest on assets
- LOC Repayment:
 - Repay \$77M at end of FY19 (\$25M working capital, ~\$52M resolution fees & transition)
 - Repay remaining balance at end of FY20
- VITA is using savings from multi-supplier model to help pay down LOC
 - Agency rates will remain stable



Questions?

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