



# COMMONWEALTH of VIRGINIA

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## Virginia Information Technologies Agency

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### MEMORANDUM

**TO:** Agency Information Technology Resources (AITRs)  
Procurement Officers  
Finance Officers

**FROM:** Samuel A. Nixon, Jr.

**SUBJECT:** Procurement Savings Opportunities

We are pleased to announce that Commonwealth agencies now can achieve a cost savings of 17 – 20 percent on purchases of incremental information technology (IT) items. Incremental items are goods such as consumables, projectors, large monitors, external hard drives, wireless mice, bar code scanners, Web cams, uninterruptible power supplies, etc. -- items that are not available as a rated service through the information technology partnership between the Commonwealth and Northrop Grumman being overseen by the Virginia Information Technologies Agency (VITA).

Effective Aug. 8, 2011, agencies can purchase items on the IT consumables list directly from suppliers using pre-approved Commonwealth contracts instead of going through the partnership. To assist agencies in achieving these savings, VITA and Northrop Grumman staff worked together to expand the IT consumables list. Only those items found on the approved list, (found on the VITA website at: [http://www.vita.virginia.gov/uploadedFiles/SCM/VITA\\_IT\\_Consumables\\_List\\_070611.pdf](http://www.vita.virginia.gov/uploadedFiles/SCM/VITA_IT_Consumables_List_070611.pdf)), can be purchased using this new method. We expect to update the list regularly to reflect changing business needs.

What this means for your agency:

- Time savings – Processing layers will be removed
- Cost savings of 17-20 percent – Your agency no longer will be subject to the following charges on these procurements:
  - Sales tax (5 percent assessed to Northrop Grumman and passed to the Commonwealth)
  - Northrop Grumman administrative surcharge (7 percent or 7 plus 3 percent)
  - VITA administrative surcharge (5.43 percent)

We have taken this opportunity to provide additional guidance on the procurement of printers, copiers, multi-function devices, scanners and plotters.

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This information also is available for your reference on the VITA website at:  
[http://www.vita.virginia.gov/uploadedFiles/SCM/VITA\\_GUIDANCE\\_ON\\_PRINTERS\\_070611.pdf](http://www.vita.virginia.gov/uploadedFiles/SCM/VITA_GUIDANCE_ON_PRINTERS_070611.pdf). Please note: We do stress the importance of carefully understanding the policies/procedures for these items.

To begin achieving these cost savings, effective Aug. 8, please R code orders for items listed on the updated IT consumables list. VITA will reject V-coded orders and send them back to the agency for correction.

If you have questions, please contact Dana Smith, VITA Director of Finance and Administration, at (804) 416-6009 or [dana.smith@vita.virginia.gov](mailto:dana.smith@vita.virginia.gov) or Phil Pippert, VITA Acting Director of Supply Chain Management, at (804) 416-6169 or [philip.pippert@vita.virginia.gov](mailto:philip.pippert@vita.virginia.gov).