



OFFICE OF THE GOVERNOR

**Sonny Perdue
GOVERNOR**

Released, Thursday, November 20, 2008

IT Consolidation Contracts Awarded to AT&T, IBM

State will receive improved services, save an estimated \$180 million over life of contracts

ATLANTA – Governor Sonny Perdue today announced the signing of contracts to consolidate and outsource IT operations for the state of Georgia. The contracts will lead to a transformation in the state’s use of information technology and address the significant risks that currently threaten critical operations and services.

“Georgia’s technology investments have not resulted in a reliable, recoverable and secure system that ensures data is protected and needs are being met,” Governor Perdue said. “We have two of our nation’s most respected technology companies on board for this transformation, and I look forward to our partnership in providing the state better services than we have today at a cost savings to the taxpayer.”

The state contract for IT Infrastructure Services was awarded to IBM. The contract is valued at \$873 million over eight years with two, one-year options to renew. It includes mainframes, servers, print, service desk, end-user computing and disaster recovery. Dell and Xerox will be subcontractors. The commencement date is April 1, 2009.

“This initiative demonstrates the State of Georgia’s commitment to the smart and strategic use of information technology to better serve its citizens,” said David Liederbach, General Manager, IBM Global Technology Services, Public Sector. “IBM will help the state enhance its end user services and transition to an efficient, stable and flexible infrastructure, capable of handling Georgia’s future information technology needs.”

The state contract for Managed Network Services was awarded to AT&T. The contract is valued at \$346 million over five years with two, one-year options to renew. It includes wide area network, local area network and voice services. The commencement date is May 1, 2009.

“At AT&T, we have a deep commitment to Georgia. More than 24,000 AT&T employees live and work in Georgia, and we are pleased to work with IBM to provide this world-class solution to our state and its citizens,” said Sylvia Anderson, president, AT&T Georgia. “At AT&T, our mission is to connect everyone to their world, everywhere they live and work, and do it better than anyone else. This contract and our collaboration with the Georgia Technology Authority embody perfectly the commitment we bring to achieving our mission.”

Over the length of the contracts, the state will save an estimated \$180 million compared to the existing IT spend across the agencies affected by the change. GTA will not need additional funding from the state budget to get the contracts started.

A professional, third-party assessment of the state's IT operations in 2007 documented serious and chronic problems throughout state government, including aging infrastructure, inability to meet minimum industry standards, lack of processes and skills, little coordination of spending and deficiencies in disaster recovery.

The assessment concluded that the state's capabilities to fix its problems had deteriorated to such an extent, only a statewide effort drawing services and skills from the marketplace could bring about timely repairs.

The consolidation and outsourcing will result in numerous benefits, including:

- standardized service levels
- better tools to manage operations and diagnose problems
- equipment upgrades
- more robust security
- improved disaster recovery
- comprehensive inventory and asset management

The procurement process was the most competitive and rigorous in state history with 31 vendors initially vying to provide services to the state.

“Technology management is not a state core competency, and our best option for a sustainable solution is in the marketplace,” said Patrick Moore, Executive Director of the Georgia Technology Authority and State Chief Information Officer. “Throughout the procurement process, we were clear about the problems we are solving and what we need.”

A total of 291 current state employees will be offered jobs with IBM or one of its subcontractors and 33 will be offered jobs with AT&T.

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