



# GSA Networkx Transition Update

---

January 5, 2009  
Bulletin Six

## **Introduction**

This bulletin provides transition guidance information, transition progress, and status of issues related to the transition of services to the General Services Administration's (GSA) Federal Acquisition Service (FAS) Integrated Technology Services (ITS) Networkx contracts.

**Current Status of Transition --** FTS2001 telecommunications services must be transitioned to a Networkx contract before the FTS2001 contracts expire in order for Agencies to continue to receive services and benefit from GSA's reimbursement of transition costs. There are only eighteen months left to complete your Agency's transition, and our current measures of progress indicate the Government overall is well behind schedule. Your personal attention and support is essential to ensure the timely transition of your Agency's services.

**Impact of Slipping Schedule --** The schedule for completing the Networkx transition is framed by the expiration of the FTS2001 Bridge contracts in May and June of 2010. If Agencies have not completed the transition by then, an extension to the Bridge contracts could be required, resulting in additional costs to Agencies. These additional costs are the following:

1. Higher prices on current contracts as compared to possible price reductions on the Networkx contracts;
2. Higher prices on Bridge contract six-month extensions. The Bridge contracts with MCI and Sprint are entering the first of three six-month extensions with increased prices on some services;
3. Loss of transition reimbursement credits if orders are not placed before the Interagency Management Council transition deadlines;
4. Increase in GSA management costs. Extensions of the Bridge contracts will result in a significant additional contracting and program management workload for GSA. Since all GSA costs are eventually borne by Agencies, these additional costs may deplete Agency transition reserves and/or could require an increase in the GSA management fee;
5. Increase in contractor prices on additional Bridge contract extensions. Extensions of the Bridge contracts beyond May/June 2010 may result in price increases that cannot be predicted at this time;
6. Failure to realize the benefits of new security offerings. Networkx provides competitively-priced security capabilities vital to the protection of Government information and national security.

While our collective planning has been extensive and Agency transition teams have worked hard to develop Statements of Work (SOW's) and to make Fair Opportunity (FO) decisions, there is much more to do. Because the time is growing short, GSA needs more detailed information to better understand Agency-wide transition progress in order to assess the risks of not completing transition within the required timeframe, to assist our Networkx contractors in predicting their transition workload, to schedule resources to respond to the coming influx of transition orders, and to grant exceptions to the requirement for transition reimbursement.

Toward this end, we are asking you for the following information, which we will share with the Networkx carriers in order that they can be more responsive to your needs:

1. Total number of transition FO decisions made and the total remaining;
2. Planned completion date for each remaining transition FO decision;
3. Specific service(s) included in each FO decision;
4. Amount of Transition Baseline Inventory included in each FO decision;
5. Order submission dates for all services in each FO package;
6. FO decisions that will be made using the SOW process and submission date for each SOW.

**Exceptions to Deadline for Transition Reimbursement** -- Upon receipt and consideration of the information above, GSA will grant exceptions to Agencies that did not meet the FO deadline of September 30, 2008 thereby reinstating their eligibility for transition reimbursement. As a reminder, the next milestone is to have all transition orders for parallel operations in by January 1, 2010 and all transition orders submitted by April 1, 2010.

**Driving Transition Progress** -- GSA is considering an appropriate date to terminate the ability for Agencies to order services on the FTS2001 contracts. Agencies should anticipate that the date will be set approximately one year prior to the expiration of the Bridge contracts.

GSA encourages Agencies to make completion of the Networkx transition a high priority. The potential security and cost savings inherent in the Networkx contracts will likely be of interest to the next administration and could raise the priority and visibility of transition progress. GSA's Networkx program staff, Technology Service Managers, and the Transition Coordination Center are dedicated to working with Agencies to assist in making transition as smooth as possible.

GSA Networkx Transition Update, *continued*

Bulletin Six

January 5, 2009

**GSA Assistance** - For Networkx-related questions and assistance contact GSA's Help Desk at 866-472-0274 or [networkx.support@gsa.gov](mailto:networkx.support@gsa.gov) or obtain information to contact your Technology Service Manager at [www.gsa.gov/gam](http://www.gsa.gov/gam).

A handwritten signature in black ink, appearing to read 'Karl Krumbholz', written in a cursive style.

Karl Krumbholz, Director  
Network Services Program  
Information Technology Service  
General Services Administration