

Financial Services Case Study



GTSI Operating Lease Delivers Critical IT Support for Army Logistics

The Logistical Support Activity (LOGSA), headquartered at the Redstone Arsenal in Huntsville, Alabama, is the U.S. Army's single authoritative database for logistics.

LOGSA performs enterprise level analytics across the spectrum of supply, maintenance, distribution, transportation, and finance, collecting information from other offices involved in military materiel, equipment, and lifecycle management. It then organizes and packages that information into databases, electronically accessible by authorized users globally, holding in-depth information about every step in a system or component's life – and offering more than 5 billion data records

However, an aging IT infrastructure was beginning to impact the agency's ability to deliver its mission. "Upgrades in the data center were critical if we were to continue to accomplish our mission efficiently and assuredly," said Richard Manley, LOGSA Chief of the Enterprise Integration Center. Consequently, the agency called on Jacobs Technology, who held an Information Technology Support Services (ITSS) contract to provide IT services and manage the LOGSA data center, to help bring its infrastructure up to speed.

After a thorough assessment, leadingedge Sun and Hitachi servers and storage units were selected as bestsuited for meeting upgrade and growth requirements. However, the challenge was that LOGSA did not have the capital funds necessary to purchase the equipment needed to keep their data center running at optimum levels, to deliver the day-to-day services on which the Army depended.

In order to develop and deliver the identified solution, in a design ideally suited to LOGSA's budgetary capabilities, Jacobs turned to GTSI. GTSI financial analysts began working closely with Jacobs and LOGSA in a collaborative partnership, searching for a solution that would deliver the technology today – and ensure that IT requirements would continue to be met tomorrow. "We had a long and beneficial working partnership with GTSI," said Manley. "We knew them to be trusted advisors established in providing best-of-breed solutions."

Ultimately, it was determined that Jacobs would be the prime integrator on the account, while GTSI's subrole was to provide not only the technology equipment and services, but the financial resources relative to providing a more cost effective acquisition solution for the data center equipment and services.

Creating a Cost-Effective Financing Plan for Present and Future IT Needs

After considerable research, it was determined that, instead of a capital expenditure, LOGSA could use their operating and maintenance funds to implement and integrate the needed technology, utilizing a uniquely designed GTSI financial solution wherein the equipment was not owned by LOGSA or Jacobs, but by GTSI. Furthermore, it was critical that the terms of the arrangement were compliant with strict federal standards. Consequently, GTSI worked with Jacobs to develop an operating lease financial solution, based not only on LOGSA's current budgetary and IT configuration requirements, but the need for future upgrades as technology advanced and demands changed.

Contractually, GTSI would own the assets. LOGSA, whose contract with Jacobs to manage the data center also included an IT "Pay-for-Use" acquisition capability, would provide services.

Said Thad Kemp, Senior Sales Manager for GTSI, "Many of our customers do not have enough capital dollars to outright purchase their IT needs. Further, as IT evolves at an ever-faster rate, the traditional method of purchasing mission-critical IT assets as a capital acquisition becomes less and less logical for the client user. Thus, to be able to use operating monies to pay-for-use' of IT, over a fixed lifecycle, makes abundant sense."

LOGSA, who was having difficulty just keeping their data center running, was now well equipped to meet their mission-critical demands – and to handle the 6 to 12 million transactions conducted every day for forces around the globe. "Without this soluGTSI and Jacobs have partnered to facilitate LOGSA's specific mission critical requirements while insuring

For more information contact GTSI Corp. 800.999.GTSI GTSI.com

"We had a long and beneficial working partnership with GTSI. We knew them to be trusted advisors established in providing best-of-breed solutions."

tion, the absence of capital funds would have weakened our delivery of critical services," said Manley.

Over the course of an extensive four year relationship, working in partnership with Jacobs, GTSI has continued to provide like-kind financial solutions and increased capabilities and capacity meeting a variety of LOGSA's IT requirements. In every instance, that LOGSA is equipped with vital IT infrastructure resources and services necessary to deliver state of the art support to its end-user clients. To date, GTSI and Jacobs have successfully designed and completed over 20 operating lease solutions, involving numerous types of IT equipment and services, under continuing schedules to its Master Lease Contract.



GTSI Corp. provides information technology solutions by offering a Technology Lifecycle Management (TLM) approach to IT infrastructure solutions delivered through industry-leading professional and financial services. GTSI employs a proactive, strategic methodology that streamlines technology lifecycle management, from initial assessment to acquisition, implementation, refresh, and disposal. TLM allows government agencies to implement solutions of national and local significance quickly and cost effectively. GTSI's certified engineers and project managers leverage strategic partnerships with technology innovators. These experts use proven, repeatable processes to design, deploy, manage, and support simple to complex solutions, to meet governments' current and future requirements and business objectives. GTSI is headquartered in Northern Virginia, outside of Washington, D.C. Further information about the Company is available at www.GTSI.com/About.

©2009 GTSI Corp. All rights reserved. GTSI and GTSI.com are registered trademarks of GTSI Corp. in the United States and other countries. (MAR2009)