Expenditure Evolution

As Information Technology (IT) modernization moves full speed ahead, government entities shift from static IT programs to total infrastructure refresh in an effort to ensure data security and optimal IT performance – all while staying within the confines of their budgets.

However, with change come challenges – government procurement processes create refresh roadblocks as agencies find change nearly impossible due to long-term process delays. To alleviate the frustrations caused by procurement delays, government entities can leverage new contract options, and transition program funding from capital expenditure (CAPEX), the budget used to purchase ownership of assets, to operational expenditure (OPEX), the budget used to finance technology and pay-per-use.

OPEX enables governments to efficiently leverage funds and maximize productivity throughout, eliminating wasted funds and effort. Where CAPEX is used on a long-term, multi-year basis, OPEX is leveraged only when services are needed. Thus, OPEX has become the first choice for government IT funding, helping to ensure agencies have maximum flexibility and access to up-to-date technology solutions.¹

UNICOM Government provides a variety of financial services to help Federal, State, and Local governments make the most of their budget while simultaneously boosting IT performance.

Financial Opportunities: LTOP, LWOO, TLM, and Maintenance Contracts

UNICOM Government’s financing options help customers shift technology assets and service costs from capital expenses to operating and maintenance expenses – shielding IT programs from funding cuts and eliminating peaks in capital expenditures.

Using a value-based service model, UNICOM Government eliminates the responsibility of ownership and helps customers restructure IT expenses. The pay-for-use and leasing options enable customers to align predictable payments with business objectives.

As a result, customers retain a single source for IT assets, services, and financing. Further, UNICOM Government enables customers to reduce total cost of ownership and resource outlays, accelerate project completion, obtain the best-of-breed technology, and build refresh cycles so technology remains current.

UNICOM Government offers four types of financing options, providing the customer with the ability to choose the plan that best fits needs and budget restraints: Lease-To-Own Plan (LTOP), Lease-With-Option-To-Own (LWOO), Total Lifecycle Management (TLM), and Maintenance Contracts.

Lease-to-Own Plan (LTOP)

The most basic level of financing technology assets, a LTOP enables customers to retain the title to equipment upon final payment. The LTOP provides a way for customers to
obtain and utilize best-of-breed tools, paid in full over the typical lease term of three years, with the government agency taking full ownership of assets at the end of the lease term.

**Maintenance Contracts**

Most agencies purchase maintenance and equipment on an annual basis. In fact, ninety percent of UNICOM Government leases are maintenance contracts. This contract enables customers to approach IT maintenance “a-la-carte” with a discounted multi-year price tag. For example, UNICOM Government can order five years of equipment up-front at a significant cost reduction. Rather than paying a premium price for the desired asset, customers benefit from the multi-year “discount,” while receiving best-of-breed service or equipment.

**Financing the Future**

Each UNICOM Government financing option is specifically structured to maximize budgets and best fit customer needs. Providing services under one contract, UNICOM Government simplifies the buying process, and serves as a “One-Stop Shop” for government infrastructure. By managing IT maintenance, UNICOM Government helps accelerate deployment of technology and mission success. Agencies can spend less time on vendor logistics, and more time focused on mission goals.

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**About UNICOM Government**

UNICOM Government is the first information technology solutions provider offering a Technology Lifecycle Management (TLM) approach to IT infrastructure solutions delivered through industry-leading professional and financial services. UNICOM Government 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. UNICOM Government’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. UNICOM Government is headquartered in Northern Virginia, outside of Washington, D.C.

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