

OVERVIEW

Agencies are overwhelmed with modernizing legacy systems to meet the demands of today's technology. The federal government spends roughly 80% of its annual IT budget on maintaining existing or aging IT systems. At the same time, they are forced to complete critical projects with limited budgets and annual budget cycles.

NTS works with primes to structure creative and flexible payment options over multiple fiscal years for technology and services. Our solutions are Federal Acquisition Regulation (FAR) compliant, accelerating your ability to get the job done today.

NTS GUIDE TO FEDERAL PAYMENT PLANS



THE CURRENT STATE

Bundled solution plus maintenance, installation/training, on-site support:

- Fragmented buying schedules result in higher costs and less efficiency
- Short-term rather than long-term strategies
- Shrinking budgets, less buying power
- 10-20% year-over-year price increases

PAYMENT PLAN SOLUTION

Bundled solution plus maintenance, installation/training, on-site support:

- Base-plus option year contract (typical terms of 3-5 years)
- Captures entire requirement/mission
- Optimizes base-year budget as initial payment
- Tangible savings: Reduced costs and maintenance renewals with best discounts
- Soft savings: Reduced administrative, budgeting and planning expenses

FEDERAL AGENCY BENEFITS

REALIZE YOUR COMPLETE PROJECT NOW

A payment plan allows you to receive the benefit of implementing your entire project now instead of overtime as budgets permit. Leverage a portion of your existing budget to get the technology you need now.

PURCHASE RENEWAL OPTIONS

End-of-term options include the flexibility to return, purchase, or upgrade your equipment as your mission requires.

FLEXIBILITY

Structure payments to fit your budget. NexTech Solutions offers a variety of traditional and customized structures to meet your needs.

CONSERVE BUDGET

With a payment plan, your budget is not tied up in one project. A payment plan frees up budget for more strategic and innovative investments, required to support your agency's mission.

TOTAL SOLUTION FINANCING

With NTS, you can finance up to 100% of your equipment costs in addition to soft costs such as maintenance, software, and services.

MATCH PAYMENTS TO BENEFITS

Pay for the equipment as the revenue or productivity benefits derived from the equipment are realized, not before.

FIXED PREDICTABLE PAYMENTS

A fixed monthly, quarterly, semi-annual or annual payment helps you to predict and manage cash flows across fiscal years. To not conflict with the Anti-Deficiency Act, payment plan solutions are structured in accordance with the FAR/federal procurement policy addressing annual funding requirements and obligations.

DEFERRED PAYMENTS AND OTHER BENEFITS

Payment deferral and further financing options and programs are available to ensure that acquiring the technology you need is as straightforward as possible.

AVOID TECHNOLOGY OBSOLESCENCE

Using a payment plan allows you the flexibility to upgrade and align lifecycle technology with your current and future needs. A lifecycle management approach to technology acquisition coupled with a NexTech Solutions payment solution ensures your equipment is always current at an affordable predictable cost. As products are replaced or upgraded, NexTech Solutions arranges for their removal and disposal, saving you both time and budget.

ADDRESS UNFUNDED REQUIREMENTS

Use a payment plan solution to address unexpected requirements or unfunded mandates without sacrificing your other technology requirements.

COMMON CONCERNS

“We can't commit funds past the base year, only annual appropriations (Anti-Deficiency Act).”

- NTS assumes this risk and recognizes option years are subject to availability of funds. (FAR 52.232.18).
- We undertake FAR termination rights, including non-appropriation, non-renewal, and termination for convenience.

“We have limited funds for the project.”

- NTS customizes a structured payment option, enabling you to acquire all technology and services needed for the entire project implementation.
- We can leverage your existing budget to accelerate the project requirements.

“Can we leverage CapEx or OpEx funds?”

- Yes, we can craft a payment solution that enables the use of either funding requirement.

“To whom are the contract and payment plan awarded?”

- The technology vendor/contractor is always prime; NTS will broker an assignee to the transaction.

CONTRACTING ITEMS

Indicative terms should be incorporated into the order by reference:

FAR 52.232-23

Assigned of claims
(Jan 1986), Alternate 1
(Apr 1984)

FAR 52.232-19

Availability of Funds for
the Next Fiscal Year (Apr
1984)

FAR 52.217-9

Option to Extend the
term of the Contract
(Mar 2000)

FAR 52.212-4

Termination for
Convenience (Feb 2021)
at paragraphs (l) and (m)

FAR 52.229-1

State and Local Taxes
(Apr 1984)

CONTACT US TODAY TO LEARN MORE ABOUT FEDERAL PAYMENT PLANS

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