VIRGINIA IT AGENCY

MSI SERVICES ACQUISITION PLAN

Symbio ecosystems

DECEMBER 15, 2022

CONTENTS

EXECUTIVE SUMMARY

Summarizes all sections of the Acquisition Plan Deliverable at a high level for executive leadership to understand the purpose of the deliverable.

MSI SERVICES ACQUISITION PLAN

Section	Description
MSI Scope and Sourcing Plan	A future state MSI framework that identifies key changes, additions, and reductions to the core MSI scope, including sourcing recommendations for scope removed from the MSI.
Requirements Recommendations	A set of high-level recommendations addressing the operating model, performance model, and business model for consideration in the RFP requirements.
Revised MSI Base Case (1/5)	An update to the MSI Financial Spend Analysis that reflects the change impact of the recommended revised MSI scope, including potential financial and staffing impacts to VITA and Service Tower Suppliers.
Risk Management (1/5)	A report supported by an Excel registry of risks documenting the risk event, potential outcome, risk period, impact, probability, matrix score, risk response, mitigation strategy, owner, status, etc.
Implementation Roadmap	An implementation roadmap of key events sequenced on a timeline based on the findings and recommendations of the Strategy and Planning initiative.

Other Symbio Deliverables:

Deliverable	Description
Governance Readiness (1/5 and TBD)	Current state assessment, MSI change impact assessment, recommendations and roadmap

DISCUSSION WHEN WE LAST MET - MSI BASELINE ASSESSMENT – FRAMEWORK OBSERVATIONS

Vision and Desired Outcomes

- Challenging to make progress and innovate services when fighting fires to keep the lights on
- Recent focus on addressing inhibitors (e.g., SD WAN) is a positive step in providing services that make a difference for the Agencies

Contract Requirements and Governance

- Extensive, sometimes academic requirements distract from delivering primary service outcomes
- Volume of SLAs and shared SLAs has created unproductive overhead and operational friction

Solution

1st Gen Labor-Based Solution

- Current MSI solution leverages labor rather than software/automation
- Current size of MSI team not known; PPM reporting not provided
- No systematic SLA calculation or presentation with drill downs

Process-Centric

- Creating and managing academic processes, not enabling STSs to deliver outcomes
- Creating 2,200+ RCDs and Reports per year, many manually created, all must go through DOTS and require VITA attention

Hard-to-Find Information

- Available services, how well are services performing, how satisfied are customers
- Items intended to be a few clicks away are stored deep within platforms (e.g., ops reports, SLA performance in DOTS)

Operational Culture

- Program lacks collective North Star to incent teamwork with a focus on outcomes versus process adherence
- Unhealthy deal economics - complexity, lack of overall automation, and dependency on high-performing labor
- Lack of role clarity leading to finger pointing, self-preservation

EXECUTIVE SUMMARY

1. The core MSI services are tightly integrated with dependencies between MSI functional areas.
2. Leveraging market capabilities is the best option to optimize the MSI over the next 3-5 years.
3. Services can be improved by moving some functions to VITA and STSs.
4. The current first-generation services are functional but need more agility, automation, and customer focus.
5. VITA needs a short-term (18-month) strategy to stabilize MSI services under the current contract.
6. The second-generation set of procurements provides an opportunity to reset the program strategy/culture.
7. The requirements (SOW, SLAs, Deliverable, Pricing) need an overhaul to focus on essentials and speed.
8. Quality and speed are table stakes; the program must connect with and add value to agency CIOs.

MSI SCOPE AND SOURCING PLAN

A future state MSI framework that identifies key changes, additions, and reductions to the core MSI scope, including sourcing recommendations for scope removed from the MSI.

VISION AND DESIRED OUTCOMES - UPDATED

VITA Vision

To be Virginia's most customer-focused technology partner, empowering the Commonwealth to achieve more through innovative, efficient, and secure technology.

VITA Shared Services Value Proposition

Performance	Security	Innovation	Value
Quality services delivered consistently and timely that meet customer expectations	*Policy-based standards and process compliance that protects state assets*	*Leverage market capabilities to continuously improve and evolve*	*Economies of scale pricing, removal of duplicate spend, and convert capex to opex*

Focus of the next-generation MSI should be digitizing services to provide a more agile service at a lower cost.

MSI Desired Outcomes

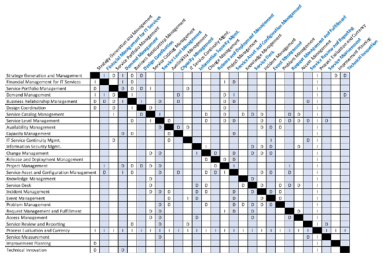
Digital Services	Service Agility	Cost Optimization	Service Leadership	STS Advocate
Leverage process automation to digitize services and provide actionable analytics	*Catalog-driven self-provisioning and robust service lifecycle management*	*Provide essential MSI services at a lower cost and optimize platform service consumption*	*Proactively anticipate program needs and leverage market experience to solve*	*Understand customer strategy and leverage VITA services to meet business and tech needs*

New customer-focused strategy, solutions, and project management requirements are recommended.

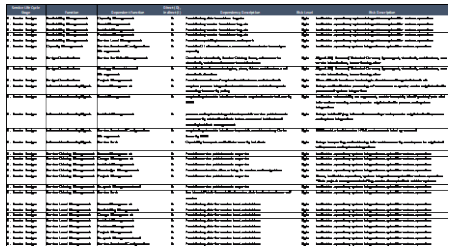
Critical Success Factors

Remove complexity	Teamwork - VITA, MSI, STSs	Partnership with agency customers	Enhanced cybersecurity	Stakeholder role clarity	Executable service transition plan

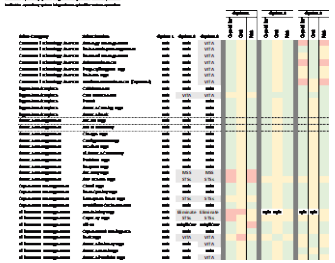
OPERATING MODEL DESIGN METHODOLOGY



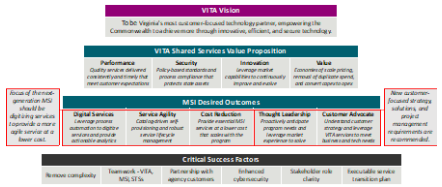
1. Created service dependency matrix to identify direct and indirect dependencies between MSI functional areas at a sub-category level

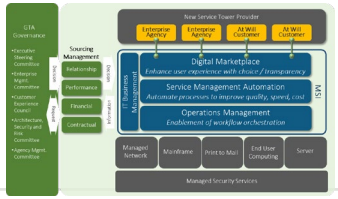


2. Analyzed dependencies and assessed level of risk if decoupled



3. Assessed MSI service functions for options to improve service outcomes by moving or eliminating service





4. Identified optimal operating model adjustments to achieve objectives

TARGET OPERATING MODEL

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DEPENDENCY AND RISK ANALYSIS KEY CONCLUSIONS

Current VITA SOW Structure: ITIL-Based

Service Strategy

Strategy Generation and Mgt
IT Technology Planning
ITFM
Service Portfolio Mgt
Demand Mgt
Business Relationship Mgt

Service Design

Solution Design Mgt
Service Catalog Mgt
Service Level Mgt
Availability Mgt
IT Service Continuity Mgt
Capacity Mgt
Security Mgt
Risk Mgt
Supplier Mgt

Service Transition

Change Mgt
Change Evaluation
Release and Deployment Mgt
Service Asset and Configuration Mgt
Software License Mgt
Knowledge Mgt

Service Operation

Service Desk
Incident Mgt
Event Mgt
Problem Mgt
Request Mgt and Fulfillment
Access Mgt
Supplier IT Operations

strategy and solutions to enable program vision

1. Depend on each other with direct dependencies outside of Service Strategy – Solution Design, Project Management, SACM, and CSI
2. Current performance is not acceptable (excluding ITFM), but requirements are academic
    - Option to bring in-house, outsource as a stand-alone service, or leave in MSI scope.
    - Recommend leave in MSI scope and repackage to attract more MSI competition (e.g., Accenture, Deloitte, Capgemini, SAIC)
        i. Option to test market capabilities through the procurement process and pull from scope if necessary
3. Overhaul requirements, rebrand service (Customer Technology Services), and emphasize:
    - Strategy Generation and Management, Service Portfolio Management, Demand Management, Business Relationship Management, Solution Design, Technical Innovation
    - Also, include Cloud Management, optional Application Services, and Project Management as key enablers to act on the target strategy

highly dependent,& tightly integrated

1. Tightly integrated, generally performing well today, and highly dependent on each other to provide a common way of operating in a multi-supplier environment
2. Exceptions: Security Mgt, SW License Mgt, and Capacity Mgt can be improved by decoupling from MSI with the Direct dependencies and risks mitigated with process and system integration.

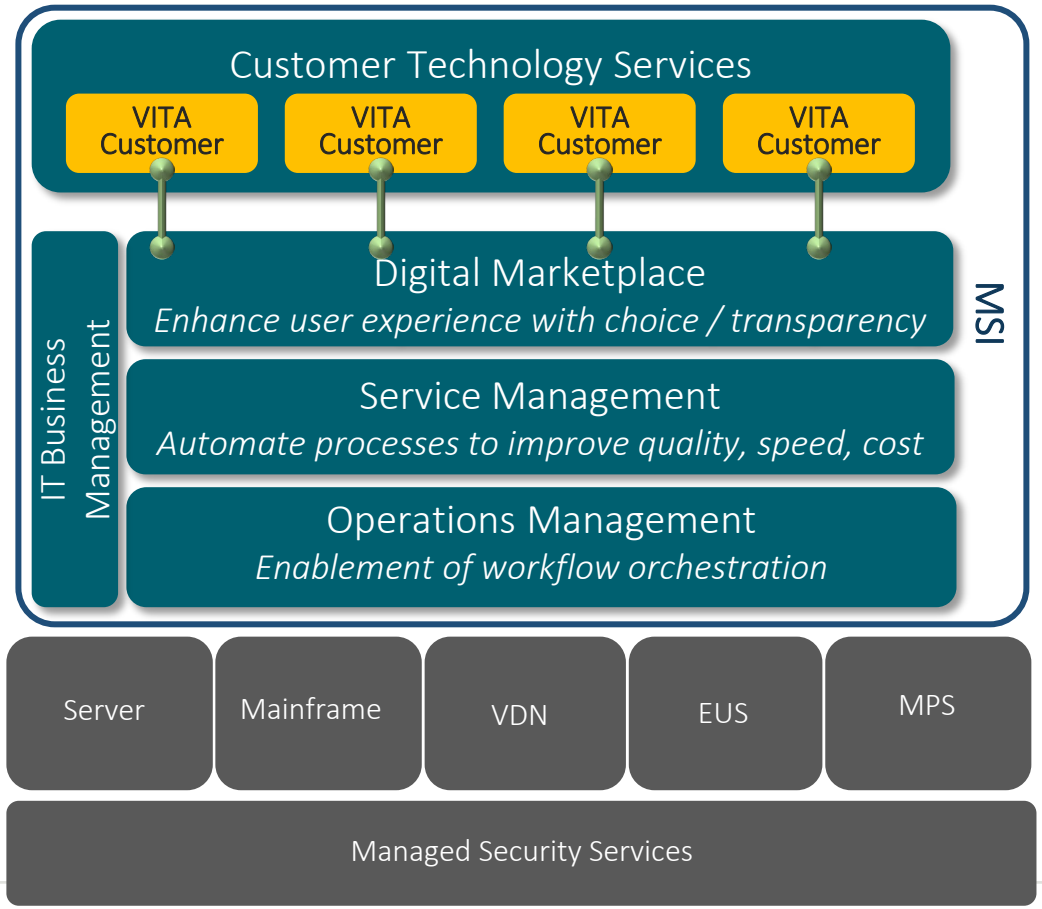
EVOLVING THE MSI OPERATING MODEL (FROM ITIL-CENTRIC TO OPS)

Current VITA SOW Structure: ITIL-Based

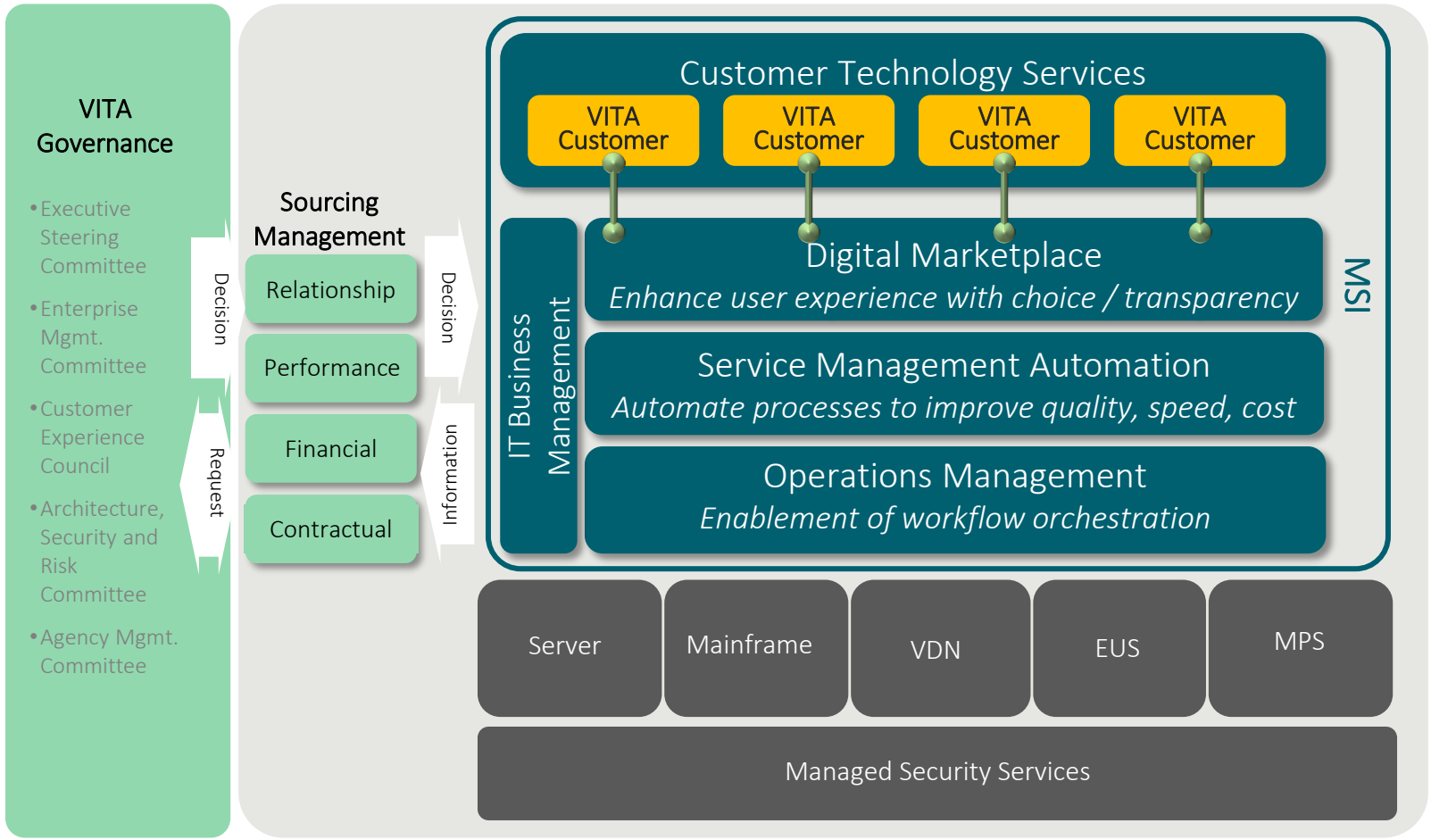
Service Strategy	Service Design	Service Transition	Service Operation
Strategy Generation and Mgt IT Technology Planning ITFM Service Portfolio Mgt Demand Mgt Business Relationship Mgt	Solution Design Mgt Service Catalog Mgt Service Level Mgt Availability Mgt IT Service Continuity Mgt Capacity Mgt Security Mgt Risk Mgt Supplier Mgt	Change Mgt Change Evaluation Release and Deployment Mgt Service Asset and Configuration Mgt Software License Mgt Knowledge Mgt	Service Desk Incident Mgt Event Mgt Problem Mgt Request Mgt and Fulfillment Access Mgt Supplier IT Operations

Proposed Second-Generation SOW Structure: Operations-Based

Customer Technology Services	Digital Marketplace	Service Management	Operations Management	IT Business Management
Strategy Mgt Relationship Mgt Demand Mgt Solution Services Project/Program Mgt Modernization Services (Optional) Service Portfolio Mgt	Collaboration Communications Portal Service Catalog Mgt Service Desk	Access Mgt Asset Mgt Change Mgt Configuration Mgt Incident Mgt IT Service Continuity Problem Mgt Release Mgt Request Mgt Security Mgt	Cloud Mgt Data Quality Mgt Enterprise Event Mgt Workflow Orchestration	Availability Mgt Capacity Mgt ITFM Reporting Risk Mgt Service Delivery Mgt Service Level Mgt



PROPOSED VITA OPERATING MODEL



- Connect to the customer with new capabilities focused on strategy, planning, solutioning, project delivery and relationship management
- Emphasis on accelerated STS service delivery and reduced spend through process automation
- Enable analytics for improved transparency and operations optimization
- Reduce risk and improve service value proposition with common security assurance for the service ecosystem

See appendix for more description of the proposed VITA operating model

See next slide for updated CTS scope

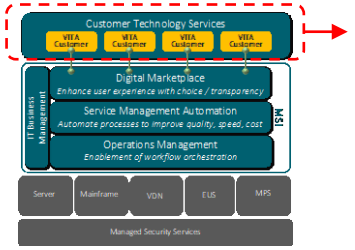
CUSTOMER TECHNOLOGY SERVICES OVERVIEW

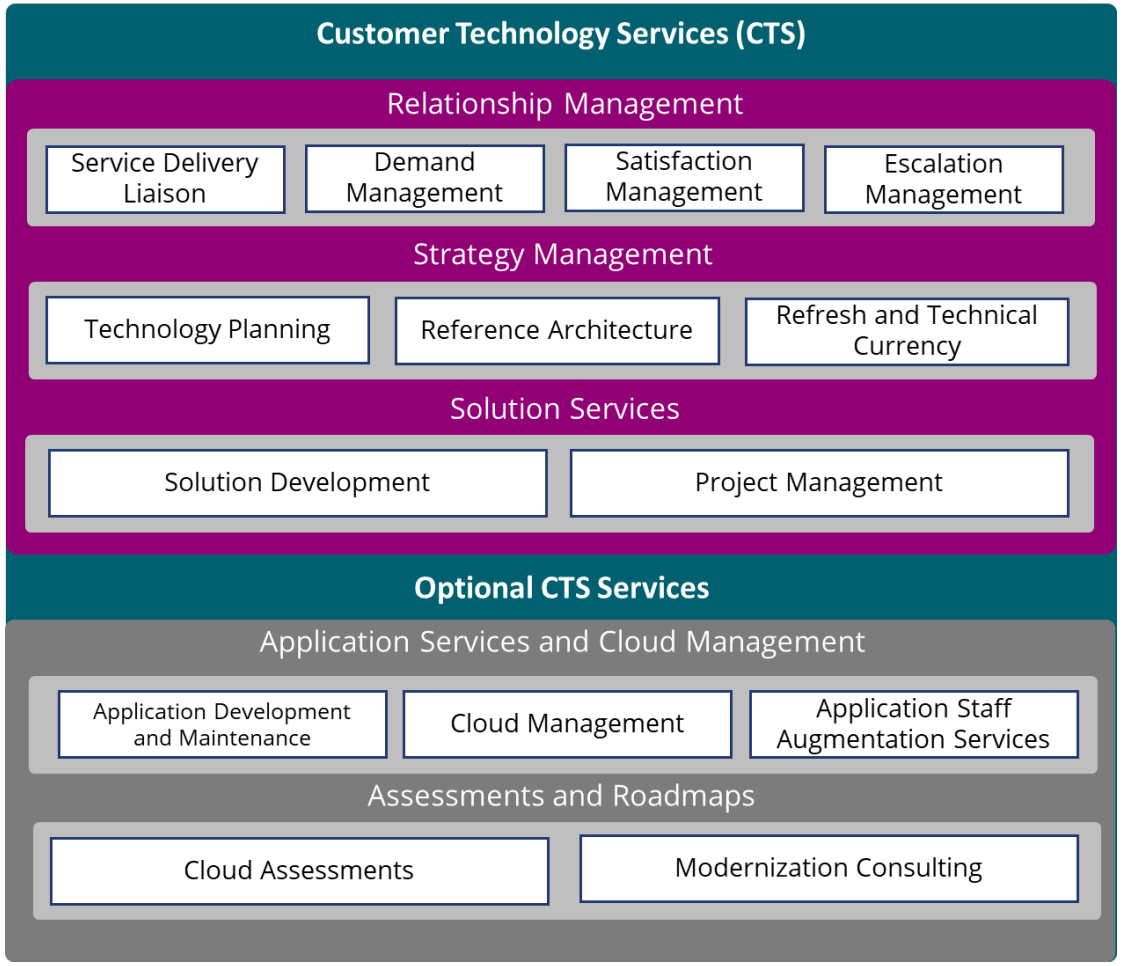
Enterprise Value

- Enables implementation of strategy and solutions to ensure alignment with program vision
- Evolves services through standard architectures and enterprise roadmaps
- Enables executable technology planning at an enterprise level
- Ownership of end-to-end multisource service request solution design and implementation

Customer Benefits

- A customer-aligned technical advisory service
- A connection between customer-specific business demands and program strategies and services
- Legacy modernization consulting aligned with program standards
- Coordinated execution of approved project requests
- Cloud strategies assessed as part of ongoing refresh and technical currency programs





See appendix for more description of CTS

CTS scope updated per feedback

CUSTOMER TECHNOLOGY SERVICES OVERVIEW

Enterprise Value

- Enables implementation of strategy and solutions to ensure alignment with program vision
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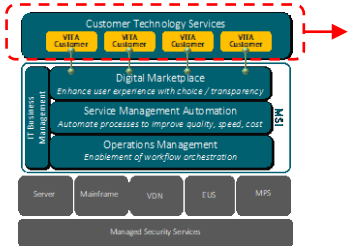

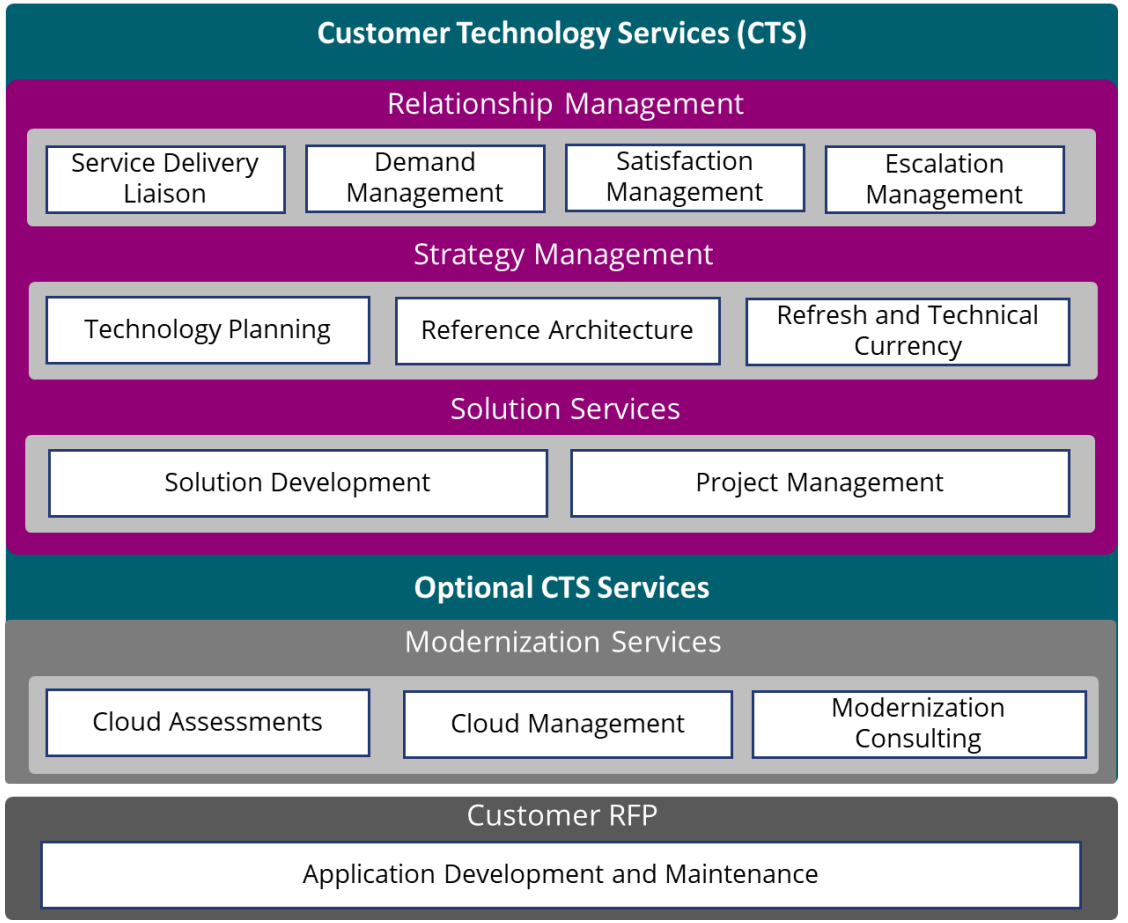

See appendix for more description of CTS

SOURCING OPTIONS

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SOURCING OPTIONS ANALYSIS GUIDING PRINCIPLES

1. Core is working, some outliers; better requirements and role clarity will improve outcomes
2. Functions not fully leveraging technology are problematic – lack of MSI leadership
3. Service performance and speed are table stakes; the program must also move up the stack to connect with agency leadership – modernization, cloud, business value
4. RFP requirements (SOWs, SLAs, Deliverables, Pricing) will be rewritten to focus on essentials, remove complexity, provide role clarity, align incentives, and mandate automation and analytics
5. Identify long-term best source of services – MSI, VITA, STS
    - Short-term (before 6/30/2024) – VITA will continue to implement remedies, leveraging internal and external resources

OPTIONS, CRITERIA, AND ASSESSMENT SCORING

Options:

1. Option 1 – All existing MSI services remains in MSI RFP scope
2. Option 2 – Some MSI services are moved to VITA and STSs or eliminated
3. Option 3 – More MSI services are moved to VITA and STSs or eliminated

Criteria:

1. Capability – Quality service delivery; ability to attract/retain talent; proven tools/methodology
2. Cost – The impact on unit rate pricing that VITA Customers pay for the service
3. Risk – The potential for negative outcomes (e.g., service performance, security, ROI)

Assessment Scoring:

1. Green – Optimal provider of service to meet desired outcomes
2. Yellow – Satisfactory level of performance, cost, or risk
3. Red - Unsatisfactory level of performance, cost, or risk

SOURCING OPTIONS ASSESSMENT – MSI SERVICES FOR ALL 3 OPTIONS

Recommendation: these services remain within the MSI

		Operational Options			Option 1			Option 2			Option 3			
SOW Category	SOW Service	Option 1	Option 2	Option 3	Capability	Cost	Risk	Capability	Cost	Risk	Capability	Cost	Risk	Notes
Marketplace	Collaboration	MSI	MSI	MSI										
Marketplace	Portal	MSI	MSI	MSI										
Marketplace	Service Catalog Mgt	MSI	MSI	MSI										
Marketplace	Service Desk	MSI	MSI	MSI										
Service Mgt	Access Mgt	MSI	MSI	MSI										
Service Mgt	Asset Inventory	MSI	MSI	MSI										
Service Mgt	Change Mgt	MSI	MSI	MSI										
Service Mgt	Configuration Mgt	MSI	MSI	MSI										
Service Mgt	Incident Mgt	MSI	MSI	MSI										
Service Mgt	IT Service Continuity	MSI	MSI	MSI										
Service Mgt	Problem Mgt	MSI	MSI	MSI										
Service Mgt	Request Mgt	MSI	MSI	MSI										
Operations Mgt	Data Quality Mgt	MSI	MSI	MSI										
Operations Mgt	Workflow Orchestration	MSI	MSI	MSI										
ITBM	ITFM	MSI	MSI/SOW	MSI/SOW										Risk in limiting field of competition if this is a mandatory service
ITBM	Operational Intelligence	MSI	MSI	MSI										
ITBM	Service Level Mgt	MSI	MSI/SOW	MSI/SOW										Risk in limiting field of competition if this is a mandatory service

SOURCING OPTIONS ASSESSMENT – MOVE TO VITA OR SUPPLIERS

Recommendation: these services are subject to be repositioned or moved

		Operational Options			Option 1			Option 2			Option 3			
SOW Category	SOW Service	Option 1	Option 2	Option 3	Capability	Cost	Risk	Capability	Cost	Risk	Capability	Cost	Risk	Notes
CTS	Strategy Management	MSI	MSI	**VITA**										Challenge for VITA to attract/retain talent - business-minded architects
CTS	Relationship Management	MSI	MSI	**VITA**										VITA retained at lower cost, risk if decoupled from PM and SPLM
CTS	Demand Management	MSI	MSI	**VITA**										VITA retained at lower cost, risk if decoupled from SPLM and
CTS	Solution Services	MSI	MSI	**VITA**										Challenge for VITA to attract/retain talent - business-minded architects
CTS	Project/Program Mgt	MSI	MSI	**VITA**										VITA retained at lower cost, risk if decoupled from Solution Services
CTS	Release Mgt	MSI	MSI	**VITA**										VITA retained at lower cost, risk if decoupled from PM, SACM, Change, ADM
CTS	Modernization Services (Optional)	MSI	MSI	**VITA**										Challenge for VITA to attract/retain talent - ADM, cloud, advisory services
CTS	Cloud Mgt	MSI	MSI	**VITA**										Challenge for VITA to attract/retain talent - ADM, cloud, advisory services
CTS	Service Portfolio Mgt	MSI	MSI	**VITA**										Requires strategy insight and architecture capacity to drive new services
Marketplace	Communications	MSI	**VITA**	**VITA**										Not a core competency of most IT service providers, with some exceptions
Service Mgt	Security Mgt (1)	MSI	**MSS**	**VITA**										Program would benefit by moving this to MSS, a specialty security provider
Service Mgt	SW License Mgt	MSI	**STSs**	**STSs**										STS in better position to manage software licenses than MSI
Operations Mgt	Enterprise Event Mgt	MSI	**STSs**	**STSs**										STS in better position to manage events than MSI
ITBM	Availability Mgt	MSI	**Eliminate**	**Eliminate**				N/A	N/A		N/A	N/A		Low value add service, little return on investment, includle in Svc Lvl Mgt
ITBM	Capacity Mgt	MSI	**STSs**	**STSs**										STS in better position to manage capacity than MSI
ITBM	Risk Mgt	MSI	**VITA**	**VITA**										VITA can perform Risk Management at much lower cost
ITBM	Service Delivery Mgt	MSI	MSI	**VITA**										Focus to ensure STS services are performing, and MSI is enabling STS ops

(1) See Security Management slide in appendix

NEXT STEPS

What to expect the first week in January

- Tuesday, 1/3/2023
    - Finish Acquisition Plan – Requirements Recommendations and Implementation Roadmap (45 min)
- Wednesday, 1/4/2023
    - Capture risks associated with the options, and stabilization of current services (60 min)
- Thursday, 1/5/2023
    - Governance Assessment readout – Relationship, Performance, Contractual, Finance (60 minutes)

REQUIREMENTS RECOMMENDATIONS

A set of high-level recommendations addressing the operating model, performance model, and business model for consideration in the RFP requirements.

REQUIREMENTS FRAMEWORK HIGH-LEVEL RECOMMENDATIONS

Operational Model

1. Redesign MSI requirements based on market automation capabilities
2. Reposition MSI security, communications, software license, event, capacity, and risk management responsibilities and incorporate into operating model RACI
3. Update all STS cross-functional requirements and VITA operations to integrate with new MSI requirements

Performance Model

1. Simplify methodology and redesign MSI SLAs to support shift to digital services and automation requirements
2. Eliminate Shared SLAs to lower overall program cost and reduce friction
3. Reduce earnback period to create greater incentive to improve service faster
4. Shift emphasis from OLMs to Operational Measures to raise general operational awareness

Business Model

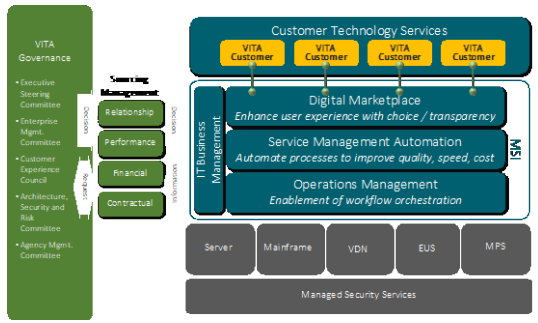
1. Reduce initial base term to 4 years with 4 one-year options
2. Eliminate termination charges and retain right (not obligation) to acquire assets
3. Business case opportunity: build automation requirements into SOWs and remove low/no value services
4. Use traditional financial base case (current spend) for agency impact analysis
5. Use financial forecast model (based on automation requirements and market research) as base case for negotiations
6. Do not release financial base case to offerors until down select to test efficiencies
7. Chargeback MSI charges to all benefitting STS services
8. Pay off transition and service evolution charges in Year 1
9. Considerations: eliminate PPM and build COLA into Charges

REQUIREMENTS FRAMEWORK COMPONENTS

The Requirements Framework is completed at the start of the RFP drafting phase.

Operating Model

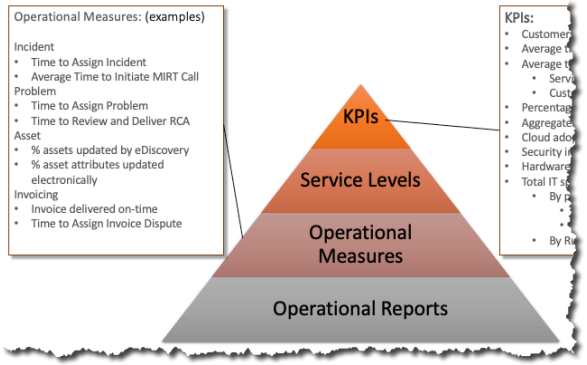
- [x] Service and Governance Model



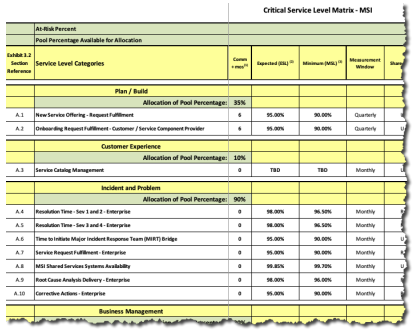
- [ ] RACI and Process Alignment

Performance Model

- [ ] Performance Analytics Model

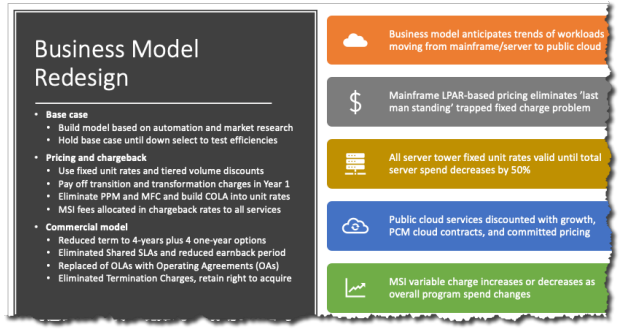


- [ ] Service Levels

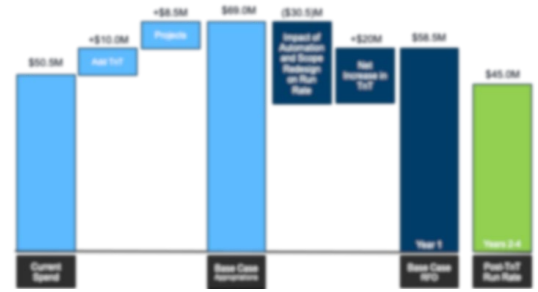


Business Model

- [ ] RU's and Commercial Model



- [ ] Future State Financial Forecast



REVISED MSI BASE CASE

An update to the MSI Financial Spend Analysis that reflects the change impact of the recommended revised MSI scope, including potential financial and staffing impacts to VITA and Service Tower Suppliers.

UPDATED BASE CASE

The MSI Sourcing Options Analysis yielded three options for MSI scope re-alignment and we have updated the Base Case to reflect the scope re-alignment for the recommended option (Option 2)

- Options:
  1. Option 1 – All existing MSI services remains in MSI RFP scope
  2. Option 2 – Some MSI services are moved to VITA and STSs or eliminated *(Recommended)*
  3. Option 3 – More MSI services are moved to VITA and STSs or eliminated
- Services to be repositioned or moved for recommended option:

		Operational Options			Capability
SOW Category	SOW Service	Option 1	Option 2	Option 3	
Marketplace	Collaboration	MSI	MSI	MSI	
Marketplace	Portal	MSI	MSI	MSI	
Marketplace	Service Catalog Mgt	MSI	MSI	MSI	
Marketplace	Service Desk	MSI	MSI	MSI	
Service Mgt	Access Mgt	MSI	MSI	MSI	
Service Mgt	Asset Inventory	MSI	MSI	MSI	
Service Mgt	Change Mgt	MSI	MSI	MSI	
Service Mgt	Configuration Mgt	MSI	MSI	MSI	
Service Mgt	Incident Mgt	MSI	MSI	MSI	
Service Mgt	IT Service Continuity	MSI	MSI	MSI	
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Service Mgt	Request Mgt	MSI	MSI	MSI	
Operations Mgt	Data Quality Mgt	MSI	MSI	MSI	
Operations Mgt	Workflow Orchestration	MSI	MSI	MSI	
ITBM	ITFM	MSI	MSI/SOW	MSI/SOW	
ITBM	Operational Intelligence	MSI	MSI	MSI	
ITBM	Service Level Mgt	MSI	MSI/SOW	MSI/SOW	

		Operational Options			C
SOW Category	SOW Service	Option 1	Option 2	Option 3	
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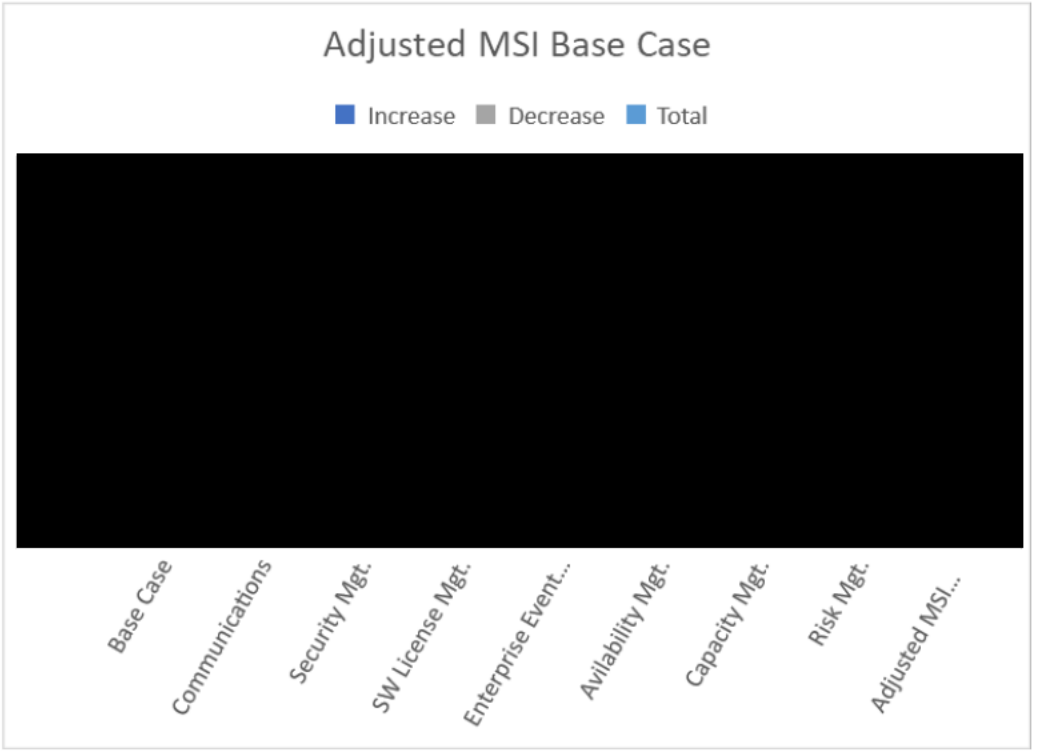
CTS	Solution Services	MSI	MSI	VITA	
CTS	Project/Program Mgt	MSI	MSI	VITA	
CTS	Release Mgt	MSI	MSI	VITA	
CTS	Modernization Services (Optional)	MSI	MSI	VITA	
CTS	Cloud Mgt	MSI	MSI	VITA	
CTS	Service Portfolio Mgt	MSI	MSI	VITA	
Marketplace	Communications	MSI	VITA	VITA	
Service Mgt	Security Mgt (1)	MSI	MSS	VITA	
Service Mgt	SW License Mgt	MSI	STSs	STSs	
Operations Mgt	Enterprise Event Mgt	MSI	STSs	STSs	
ITBM	Availability Mgt	MSI	Eliminate	Eliminate	
ITBM	Capacity Mgt	MSI	STSs	STSs	
ITBM	Risk Mgt	MSI	VITA	VITA	
ITBM	Service Delivery Mgt	MSI	MSI	VITA	

UPDATED BASE CASE

MSI Base Case Adjustments (Option 2)

Item	Disposition	Amount ($M)	FTEs
Base Case		$	[redacted]
Adjustments			
Communications	VITA	$	
Security Mgt.	MSS	$	
SW License Mgt.	STSs	$	
Enterprise Event Mgt.	STSs	$	
Avilability Mgt.	Eliminate	$	
Capacity Mgt.	STSs	$	
Risk Mgt.	VITA	$	
Subtotal		**$**	
Adjusted MSI Spend		**$**	



Assumptions:

- Portions of scope that aligned directly to PPM labor categories were estimated based on labor category estimates from the base case - then labor portion was increased based on the labor uplift ratio of [redacted] (total base case/labor portion of base case)
- Portions of scope that did not align directly to PPM labor categories were estimated based on FTE estimation for that portion of scope and an assumed market rate for role, then labor portion was increased based on the labor uplift ratio of [redacted] (total base case/labor portion of base case)
  - Communications - [redacted] (BRM)
  - SW License Management - [redacted] (SACM)

MARKET PRICING COMPARISON

A market comparison analysis to assess the cost of services against the market, consisting of government pricing data that reflects current market-based rates from Tier 1 service providers backed by service levels. (SVR, MF, EUC)

MARKET COMPARISON OVERVIEW

Overview

- Symbio compared VITA IT costs to marketplace transactions of similar size and scope.
- Symbio is uniquely positioned to render such comparison due to its intimate knowledge of State IT Environments and the related financials.
- Despite this unique expertise, this rate comparison allows us only to directionally identify areas with opportunity for improvement - the only true price is the market price provided during a competitive procurement.

Approach

- Symbio's Market Comparison process utilizes the following *resources*, considers the following *factors*, and includes the following *methodology*

RESOURCES	FACTORS	Methodology
• A proprietary and detailed database of marketplace transaction costs and terms • Publicly available state data • Symbio expertise/ Professional Judgement	• Scope • Environment Size • Asset treatment • Entity Type (Central State IT Agencies) • Level of Market Maturity • Competition	• Organize Client and market spend into best practice towers and spend categories • Normalize Spend for scope alignment between Client and market spend • Unitize spend into comparable metrics • Determine Client market positioning and assess for improvement opportunities

MARKET DATA USED

- Client Comparable Transactions (Comps):
  - Each Tower was compared to actual market transactions/contracts currently in place in the environment of three comparable state entities
- Key Comp Characteristics:
  - From Central IT State Agencies,
  - US based, and
  - A result of competitive a procurement of similar scope
- Scope Areas Assessed:
  - Server (includes storage)
  - Mainframe
  - End User Computing
- Scope Alignment
  - Data used for comparisons and its inclusions/exclusions are summarized in greater detail in the following slides

DATA PREPARATION

1. Organized Client and Comp spend into best practice towers and spend categories
   - Symbio began with VITA's last 12 months of spend (Dec'21 – Nov'22), structured into Towers and Spend Categories according to best practices
   - Symbio performed the same structuring of data for the Comps
2. Normalized Spend for scope alignment between Client spend and Comps
   - VITA spend data was adjusted to ensure alignment of scope with comparable entities and to yield a "like-for-like" comparison
   - Similar adjustments were made to Comps
   - The table to the right shows the various pieces of scope normally included in the towers in this comparison and the tower it was included in or whether it was excluded
     - *Note: For list of specific adjustments and assumptions, see appendix*
3. Unitized spend into comparable metrics
   - For each tower, a unit rate was produced to determine the representative cost
     - Unit rate can be used to compare costs across entities
     - This unitization of costs also allows us to account for environment size
   - We also generated a "units managed per FTE" metric, by tower, which allows insight into the efficiency of the environment's support

SCOPE		Server	Mainframe	End User Computing
Server	HW - Application Servers	X		
Server	HW - Infrastructure Servers	X		
Server	SW - System (e.g. OS, Virtualization SW)	X		
Server	SW - SSC (e.g. Middleware, Database, Compilers)	Excluded		
Server	SW - Application	Excluded		
Server	Server Support/Labor	X		
Server	Disaster Recovery	X		
Storage	SW/HW/Support/Management Tools/Backup	X		
Directory Services	SW/HW/Support/Management Tools	X		
Data Center	Facilities Management	X	X	
Data Center	Facilities (Rent)	X	X	
Data Center	Utilities	X	X	
Data Center	Data Center LAN	Excluded	Excluded	
Server Security	Antivirus	X		
Server Security	HIPS/HIDS	Excluded		
Mainframe	SW/HW/Support/Management Tools (Excluding Apps)		X	
Mainframe Security	Antivirus		X	
Mainframe Security	HIPS/HIDS		X	
End User Computing	HW (e.g. Workstations, Peripherals)			Excluded
End User Computing	SW - OS (attached to device)			Excluded
End User Computing	SW - Application			Excluded
End User Computing	Management Tools (HW/SW)			X
End User Computing	EUC Support/Labor			X
EUC Security	Laptop/Tablet Encryption			X
EUC Security	Antivirus			X
EUC Security	HIPS/HIDS			Excluded
MDM	Support/Management Tools			X
End User Print	HW/SW/Support/Management Tools			Excluded
Service Management	SW - Application	Excluded	Excluded	Excluded
Pass-thru		Excluded	Excluded	Excluded
Admin		Allocated	Allocated	Allocated

TOWER	METRIC
Server	• Cost/Server Instance • Total Server Instances Managed/ FTE
Mainframe	• Cost/MIPS • MIPS Managed/ FTE
End User Computing	• Cost/EUC Device • EUC Devices Managed/ FTE

APPLYING VITA DATA TO MARKET

4. Determined Client market positioning and assess for improvement opportunities

- The relative position of VITA's cost per unit and Units Managed per FTE are shown in charts similar to the ones below, where Comp data points have been anonymized

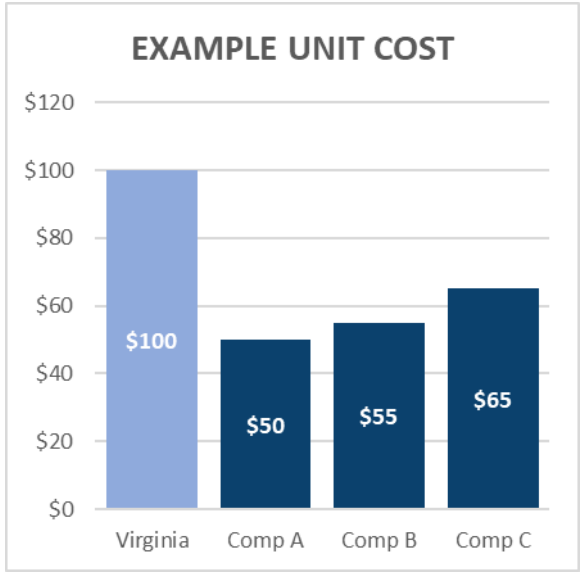
Rate Context and Anonymized Data

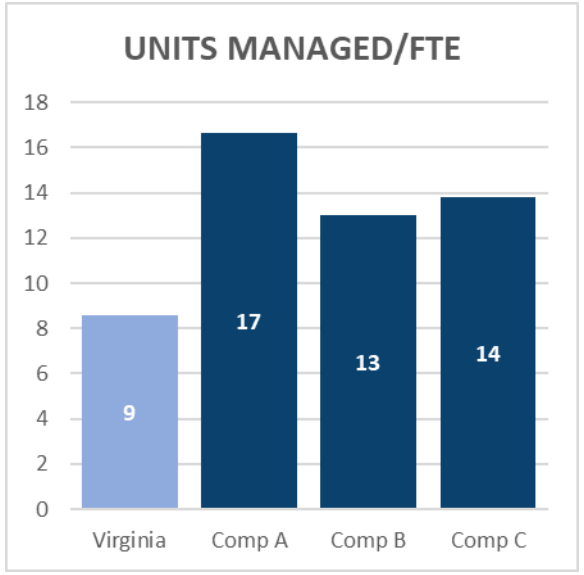
Regardless of the public nature of underlying pricing data, it is the combination of Symbio's intimate knowledge of the source and situation of the individual data points, the market, and VITA's assessed situation that determines the positioning of the market opportunity for any one Tower, and outside of this context the positioning and rates may be invalid.

Comps Summary EXAMPLE

Entity	Unit Cost	Units
Virginia	$100	120
Comp A	$50	400
Comp B	$55	234
Comp C	$65	290

Entity	Units/FTE	FTEs
Virginia	9	14
Comp A	17	24
Comp B	13	18
Comp C	14	21





Opportunity	Position
> 20%	
15% < 20%	
10% < 15%	X
5% < 10%	
< 5%	

SERVER

VITA Environment

- **Tower Includes:**
  - **HW - Application & Infrastructure Servers**
  - **SW – Systems (e.g., OS, Virtualization SW)**
  - **Server Support/Labor**
  - **Server Antivirus**
  - **DR**
  - **Facilities (Mgmt., Rent/Lease, Utilities)**
  - **Storage**
  - **Directory Services**
- **Tower Excludes:**
  - **Non-System Software (e.g., Middleware, Database, Business Applications)**
  - **Service Management Software (e.g., Service now)**
  - **Data Center LAN**
  - **Server HIPS/HIDS**
- **FY 21 Total Annual Costs:**
  - **$42.34M – Direct**
  - **$4.66M – Indirect (Admin)**
  - **$47.00M – TOTAL**

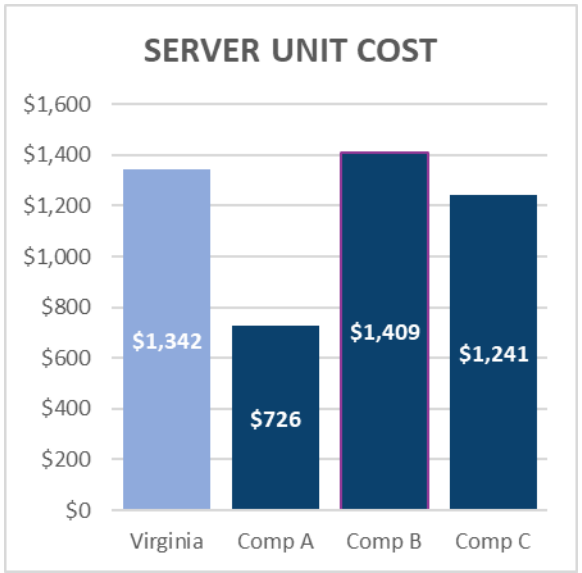
Observations

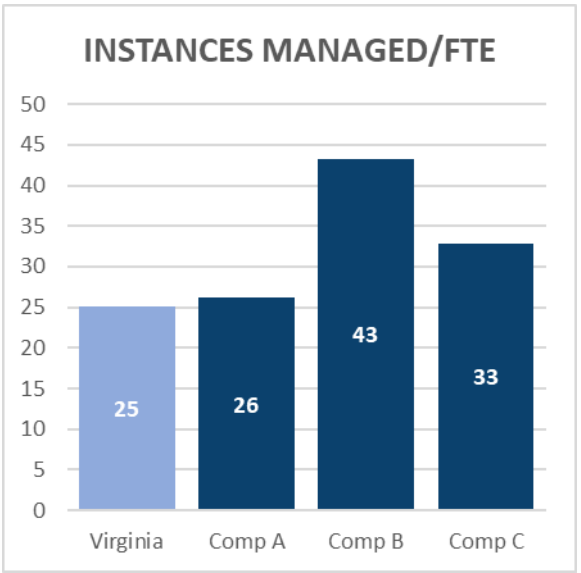
- A Fully virtualized/cloud environment is represented in Comp A
- Other comps represent environments similar to VITA's: not fully consolidated, not fully virtualized, and without a significant cloud footprint
- Movement to cloud should allow economies of scale and costs to begin to come down (only ~9% of server instances are cloud instances); however, investment in migration will be necessary
- Physical instance level is low (~7%), but movement to virtual instances here could provide marginal improvement
- Savings opportunity is moderate until investment made for movement to public/private cloud

Comps

Entity	Unit Cost	Server Instances
Virginia	$1,342	2,917
Comp A	$726	5,573
Comp B	$1,409	859
Comp C	$1,241	1,413

Entity	Instances/FTE	FTEs
Virginia	25	117
Comp A	26	213
Comp B	43	20
Comp C	33	43





Opportunity	Position
> 20%	
15% < 20%	
10% < 15%	X
5% < 10%	
< 5%	

END USER COMPUTING

VITA Environment

- **Tower Includes:**
  - **Management Tools (HW/SW)**
  - **EUC Labor/Support**
  - **Laptop/Table Encryption**
  - **EUC Antivirus**
  - **MDM (Support/Management Tools only)**
- **Tower Excludes:**
  - **HW (End User Devices)**
  - **System Software (e.g. OS)**
  - **End User Print**
  - **EUC HIPS/HIDS**
- **FY21 Total Annual Costs:**
  - **$28.79M – Direct**
  - **$3.17M – Indirect (Admin)**
  - **$31.95M – TOTAL**

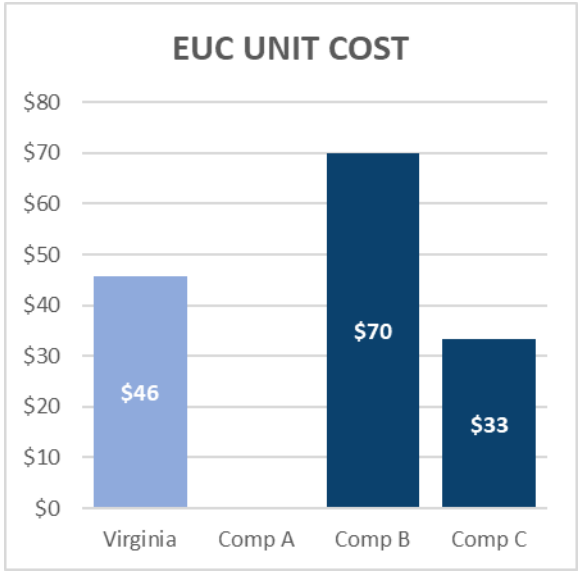
Observations

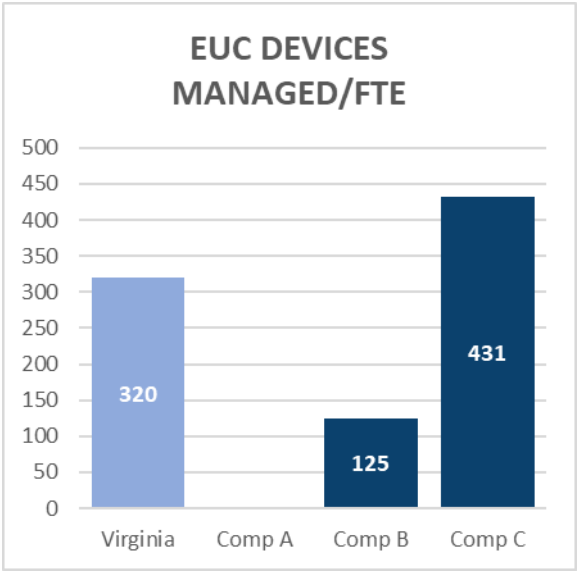
- Environment is significantly different in size than comps
- Comps are .05X to .6X the size of VITA in terms of EUC devices
- Despite the scale difference, devices/fte supported could be improved
- MDM costs are included in EUC Device unit costs for both VITA and Comps, this may create slightly disparities in rates based on relative sizing of costs; however, the impacts of MDM environment size differences should be minor
- The high number of FTEs supporting RUC devices in the VITA environment may be indicative of high-touch requirements
- Cost savings opportunity is low to moderate (~10%) as device management efficiency can be improved; however, any high-touch requirements may offset opportunities to some degree

Comps

Entity	Unit Cost	EUC Devices
Virginia	$46	58,170
Comp A		
Comp B	$70	2,879
Comp C	$33	33,212

Entity	EUC Devices/FTE	FTEs
Virginia	320	182
Comp A		
Comp B	125	23
Comp C	431	77





Opportunity	Position
> 20%	
15% < 20%	
10% < 15%	
5% < 10%	x
< 5%	

MAINFRAME

VITA Environment

- **Tower Includes:**
  - **SW (Excludes Business Applications)**
  - **HW**
  - **Support**
  - **Management Tools**
  - **Mainframe Antivirus**
  - **Mainframe HIPS/HIDS**
- **Tower Excludes:**
  - **Business Application Software (e.g. Software AG)**
  - **Service Management Software (e.g. Service now)**
- **FY21 Total Annual Costs:**
  - **$5.99M – Direct**
  - **$..66M – Indirect (Admin)**
  - **$6.65M – TOTAL**

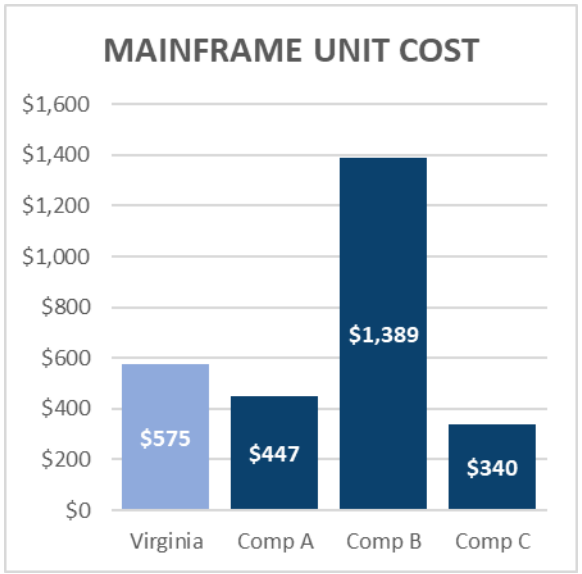
Observations

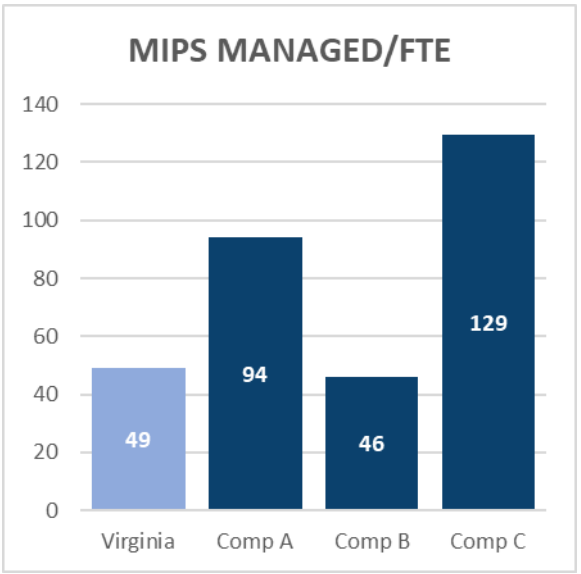
- MF environment is significantly smaller - Comps are 4.6X (A), .5X (B), and 1.9X (C) the size of VITA's MF footprint in terms of MIPS.
- Economies of scale are not reached at the current consumption levels, as evidenced by VITA's low "MIPS Managed per FTE" metrics in comparison to the Comp data points.
- The current MF Environment is a cloud/shared environment; and despite the low usage cost per MIPS are competitive, which is representative of a leveraged solution.
- Cost of business applications are not included in comparison, which can significantly drive costs depending on the business needs
- Cost savings opportunity is low

Comps

Entity	Unit Cost	MIPS
Virginia	$575	963
Comp A	$447	4,427
Comp B	$1,389	440
Comp C	$340	1,811

Entity	MIPS/FTE	FTEs
Virginia	49	20
Comp A	94	47
Comp B	46	10
Comp C	129	14





Opportunity	Position
> 20%	
15% < 20%	
10% < 15%	
5% < 10%	x
< 5%	

RISK MANAGEMENT

A report supported by an Excel registry of risks documenting the risk event, potential outcome, risk period, impact, probability, matrix score, risk response, mitigation strategy, owner, status, etc.

RISK MANAGEMENT WORKSHOP PURPOSE AND OBJECTIVES

Purpose:

1. Align on appropriate risk mitigation strategies to ensure success of program

Objectives:

1. Capture initial risks
2. Capture potential risk mitigation strategies

RISK MITIGATION STRATEGIES – OPERATING MODEL (1/2)

Risks	Potential Mitigation Strategies
Undefined operating model with clear demarcation points between STSs	• Leverage operating model to develop RACI and facilitate RFP development • Iterate and refine operating model during procurement process • Update all STS cross-functional SOWs to enable operating model • Reduce requirements complexity & ambiguity, and volume of deliverables/obligations • Identify clear outcomes for requirements • Identify elements of scope to eliminate or move to VITA or an STS • Emphasize/require digital integration and automation • Update all STS cross-functional SOWs to support common way of operating • Require MSI to simplify SMMs to remove labor hand offs, support automation • Bundle service towers / RFPs (e.g., EUS, MPS)
Technical integration complexity	• Adopt common data model across the enterprise as the single source of truth that all suppliers adhere to • E.g., leverage ServiceNow Common Service Data Model (CSDM) and require STS adherence at the enterprise level • All data is VITA owned • Establish clear accountability for complex solutions, multi-tower solutions and projects • Clear delineation of requirements across STSs within the SOWs • Establish clear deliverables across MSI and STSs to ensure alignment and timing of system integration
Portability of assets (e.g., ServiceNow, etc.)	• MSI adheres to the ServiceNow CSDM • VITA retain rights for ServiceNow instance assignment • VITA ServiceNow SME (employee or contractor) to provide platform oversight
Clear accountability for solutioning (RFS Process)	• Establish clear accountability for complex solutions, multi-tower solutions and projects • VITA working session to define clear RFS and PM process use cases across STSs • Clear delineation of requirements across STSs within the SOWs • Establish critical SLA for proposal development expectations

RISK MITIGATION STRATEGIES – OPERATING MODEL (2/2)

Risks	Potential Mitigation Strategies
Establishing New Services continues to be problematic (not a separate risk)	• Ensure MSI understands the environment is always changing • Specific requirements for Customer on/offboard, STS on/offboard, Services deploy/retire • Establish SLAs • Include capacity in MSI to lead and deploy • Redesign SPLM process
Moving forward with STS procurements prior to confirming MSI model	• Minimize gaps between STS and NextGen MSI procurements • Plan for STS adjustments to align with MSI post STS contract award

RISK MITIGATION STRATEGIES – BUSINESS CASE

Risks	Potential Mitigation Strategies
Ability to fund transition, new/improved services, transformation needs	• Leverage VITA means to obtain additional funding for Transition • Repurpose current service inefficiencies to fund improvements (e.g., MSI Customer Technology Services (CTS)) • Identify and make available key data to facilitate Supplier solution • Define required versus optional services in the SOW • Establish future state financial forecast as Base Case for negotiations • Develop a comprehensive enterprise business case
Insufficient number of qualified Suppliers	• Leverage multiple communication channels to notify the marketplace of upcoming procurements • Communicate VITA strategy to potential Suppliers • Establish clear scope requirements and response instructions • Bundle contracts according to market best practice. E.g., include the option to decouple ITBM from MSI scope to expand the pool of Suppliers • Promote CTS scope (e.g., cloud assessments, cloud operations, modernization consulting) as MSI growth opportunity

RISK MITIGATION STRATEGIES – SCHEDULE / RESOURCE

Risks	Potential Mitigation Strategies
VITA can't support aggressive schedule	• Establish go-to-market and baseline project plan • Assess resource assignments and capacity/capability to support process • Timely down-select decisions • Contingency - Assess opportunities to adjust current contract termination dates to accommodate schedule • High-functioning VITA core team and steering committee
Resource conflicts and loss of resources	• Identify and assign backups for all key project resources • Identify and include MSI SMEs as a part of the procurement process • Knowledge transfer • Fill vacancies, if applicable
Incumbent MSI/STSs ability to support Procurement process (clarification, due diligence, transition)	• Establish disentanglement strategy • Engage MSI/STS executive leadership to align on expectations • Review schedule with MSI/STSs project leader and ensure awareness and resource allocations • Leverage Termination Assistance governance

RISK MITIGATION STRATEGIES – ORGANIZATION CHANGE MANAGEMENT

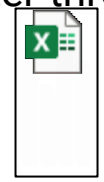
Risks	Potential Mitigation Strategies
Customer involvement and acceptance	• Conduct Stakeholder analysis • Communicate NextGen strategy to the Customers • Engage the Governance Committees • Include Agency SMEs in evaluation
Suppliers do not rally around a common goal	• Communicate and rally around desired outcomes • Treat suppliers as partners • Incent cross-supplier teamwork with a focus on outcomes
VITA governance approach	• Treat suppliers as extension of VITA team, treat as part of the team • Allow the MSI to lead and operate the services • Focus on strategy, outcomes, customer needs, and contract management vs solving technical issues
Prepare Suppliers for process and administration requirements of the MSI model	• Provide candidate supplier training throughout the procurement process • Comprehensive integration sessions • Apply lessons learned from recent on-boarded STS • Create Transition PMO to establish and manage expectations

NEXT STEPS

1. Symbio to create initial Risk Register to log the risks and establish threat rating
2. VITA to assign mitigation owners
3. Monitor and manage the Risk Register throughout the process

VITA Risk Register

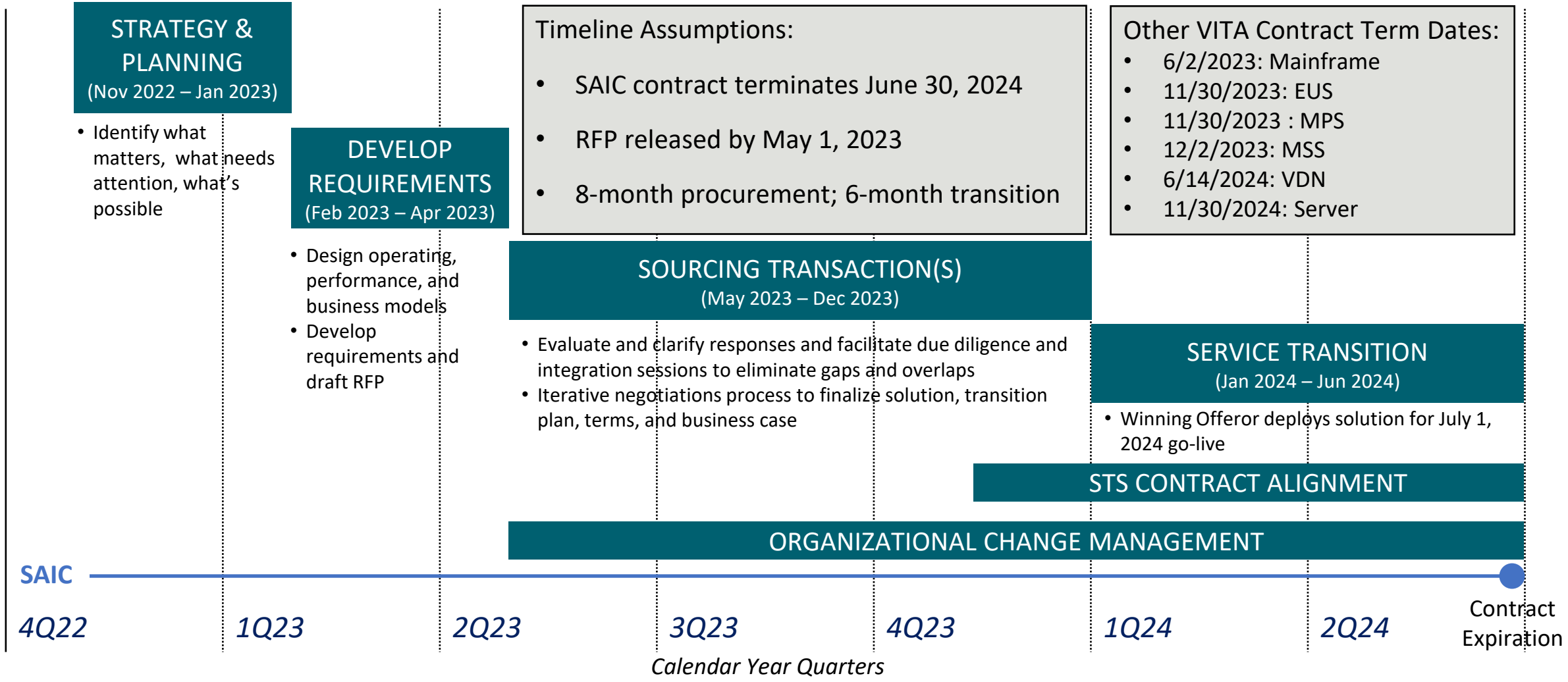
- The Risk Register is included here as an embedded file and is populated with the risks and potential mitigation strategies captured in the workshop.
- Symbio will work with VITA to populate the remaining fields of the register and manage the register throughout the process.



IMPLEMENTATION ROADMAP

An implementation roadmap of key events sequenced on a timeline based on the findings and recommendations of the Strategy and Planning initiative.

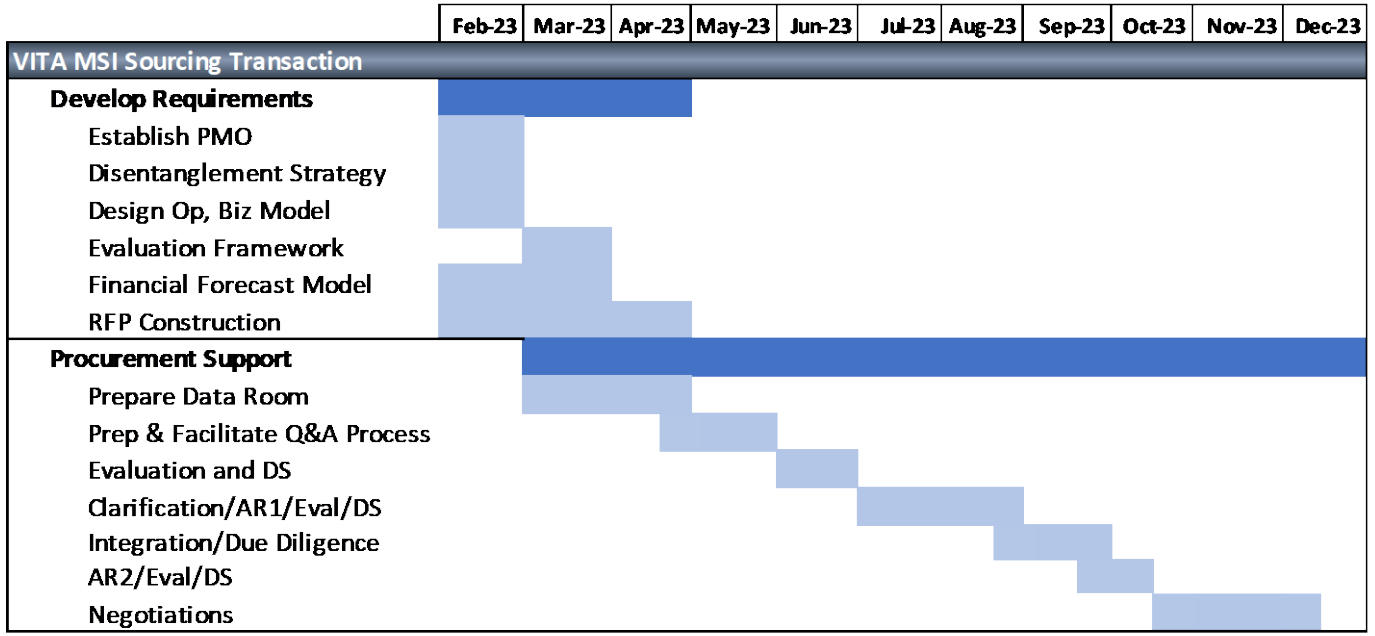
KEY MILESTONES AND DATES – MSI STRAW MODEL



MSI SOURCING TRANSACTION SCHEDULE, ASSUMPTIONS, AND RESOURCES

Schedule Assumptions

- Respondents have 30 business days to complete proposals
- Evaluation assumptions:
  - Initial Evaluation (≤ 5 responses) completed within 10 business days
  - Amended Response 1 (AR1) and Amended Response 2 (AR2) evaluations (≤ 3 Responses) completed within 5 business days
- Down-select decisions are finalized and communicated within 5 business days of evaluation completion
- AR Instructions reviewed and approved within 5 business days of the draft
- No more than 2 respondents down-selected into Due Diligence process
- Due Diligence conducted in 4 weeks
- No more than 1 respondent down-selected into negotiations
- Contract execution process provides for 10 business days from document scrub completion
- No scheduled sessions or evaluations during Thanksgiving, Christmas, or New Year's holidays



VITA Resources:											
Procurement Leader/Purchaser	0.75	0.75	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Procurement Administrator	0.50	0.50	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
MSI Workstream Lead	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75	0.75
Legal	-	0.20	0.20	-	0.20	0.20	0.20	-	0.50	0.50	0.50
Financial Lead	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Incumbent Contract Mgr	0.20	0.20	0.10	0.10	0.10	0.10	0.10	0.20	0.20	0.20	0.20
Information Security SME	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25	0.25
Evaluators (5 evaluators)	-	-	-	-	5.00	1.25	2.50	1.25	2.50	-	-
OCM Support	0.50	0.50	0.50	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Total FTEs	3.45	3.65	4.30	3.70	8.90	5.15	6.40	5.05	6.80	4.30	4.30

Key: Phase duration / Activity period

Timeline and VITA resource estimates assume advisory support. See Appendix for detailed description of VITA resource roles.

VIRGINIA IT AGENCY

SOURCING STRATEGY OPTION – MSI + 2 TOWERS

- Option to facilitate multiple procurements in parallel on a staggered start basis to avoid schedule conflicts
- The table below assumes three procurements (MSI + 2 STSs)
- MSI schedule is the same as a standalone procurement; the other two procurements extend negotiations 2 months
- Benefits of facilitating STS procurements in parallel with MSI:
  - Lower marginal cost/effort, reduced overall timeline
  - Better opportunity to integrate and optimize future state solutions (remove gaps and overlaps)
  - Real-time ability to assess business case impacts of multi-tower scope and solution changes
  - Provides process and forums to establish a new culture of teamwork and customer-focus
  - Negotiation efficiencies with Suppliers responding to multiple towers

RFP / Service Tower	Draft 1 Complete	RFP Posting	Evaluation & Down-select	Clarification Sessions	Amended Response 1 (AR1)	AR1 Eval & Down-select	Integration Sessions + DD	AR2 Response + Eval	Negotiations	Transition
SSDC Term Exp. 11/30/24	04/07	05/01 – 06/09	06/12 – 06/23 06/23 – 06/29	07/10 – 07/14	07/13 – 07/26 07/27 – 08/09	08/10 – 08/26 08/17 – 08/23	08/31 – 09/05 08/31 – 09/27	09/11 – 09/22 09/25 – 10/03 10/04 – 10/10	10/25 – 11/28	Jan '24 – Jun '24
MSS Services Term Exp. 12/2/23	05/18	06/02 – 07/13	07/14 – 07/27 07/27 – 08/02	08/14 – 08/18	08/16 – 08/29 08/30 – 09/12	09/13 – 09/19 09/20 – 09/26	10/04 – 10/09 10/04 – 10/31	10/13 – 10/26 10/27 – 11/06 11/07 – 11/13	11/28 – 01/15	Feb '24 – Aug '24
MSI Services Term Exp. 6/30/24	06/23	07/10 – 08/18	08/21 – 09/01 09/01 – 09/07	09/18 – 09/22	09/21 – 10/04 10/05 – 10/18	10/19 – 10/25 10/26 – 11/01	11/09 – 11/14 11/09 – 12/13	11/27 – 12/08 12/11 – 12/19 01/04 – 01/10	01/25 – 02/28	Apr '24 – Oct '24

NEXT STEPS

- Wednesday, 1/4/2023
    - Capture risks associated with the options, and stabilization of current services (60 min)
- Thursday, 1/5/2023
    - Governance Assessment readout – Relationship, Performance, Contractual, Finance (60 minutes)

APPENDIX

APPENDIX

MSI Dependency Descriptions

MSI DEPENDENCY DESCRIPTIONS – SERVICE STRATEGY

Direct Dependency, High Risk if Separated

Service Life Cycle Stage	Function	Dependent Function	Direct (D), Indirect (I)	Dependency Description	Risk Level	Risk Description
1 - Service Strategy	Business Relationship Management	Project Management	D	Capabilities to execute projects, information to inform on project status	High	Lack of accountability, ownership of project execution and communication
1 - Service Strategy	Business Relationship Management	Service Portfolio Management	D	Insight into programs, tech currency, tech planning, new services	High	Ineffective service advancement due to misalignment of BRM, Demand, Technical Currency Pgm mgmt, standards, architecture, new service introduction, innovation
1 - Service Strategy	Demand Management	Service Portfolio Management	D	New Services and Customers, Programs, Technical Currency demands	High	Ineffective service advancement due to misalignment of BRM, Demand, Technical Currency Pgm mgmt, standards, architecture, new service introduction, innovation
1 - Service Strategy	Demand Management	Technical Innovation	D	Service Tower Innovation plan influences future services	High	Ineffective service advancement due to misalignment of BRM, Demand, Technical Currency Pgm mgmt, standards, architecture, new service introduction, innovation
1 - Service Strategy	Financial Management for IT Services	Service Asset and Configuration Management	D	Supplier RUs and Customer services are predominately managed in the CMDB	High	Linking financial reporting and SACM management is key to accuracy
1 - Service Strategy	Strategy Generation and Management	Design Coordination	D	Coordinate standards, Service Catalog items, adherance to standards, solution adherence to architectures	High	Ineffective service advancement due to misalignment of BRM, Demand, Technical Currency Pgm mgmt, standards, architecture, new service introduction, innovation

MSI DEPENDENCY DESCRIPTIONS – SERVICE DESIGN

Direct Dependency, High Risk if Separated

Service Life Cycle Stage	Function	Dependent Function	Direct (D), Indirect (I)	Dependency Description	Risk Level	Risk Description
2 - Service Design	Availability Management	Capacity Management	D	Provides key data to achieve targets	High	Ineffective operations, system integration required for mature operation
2 - Service Design	Availability Management	Event Management	D	Provides key service to achieve targets	High	Ineffective operations, system integration required for mature operation
2 - Service Design	Availability Management	Incident Management	D	Provides key service to achieve targets	High	Ineffective operations, system integration required for mature operation
2 - Service Design	Availability Management	Problem Management	D	Provides key service to achieve targets	High	Ineffective operations, system integration required for mature operation
2 - Service Design	Availability Management	Service Level Management	D	Provides capability to measure and report	High	Ineffective operations, system integration required for mature operation
2 - Service Design	Capacity Management	Service Asset and Configuration Management	D	Provides CI information as a common denominator to analyze capacity	High	Ineffective operation, system integration required for mature operation
2 - Service Design	Design Coordination	Service Portfolio Management	D	Coordinate standards, Service Catalog items, adherance to standards, solution adherence to architectures	High	Align BRM, Demand, Technical Currency Pgm mgmt, standards, architecture, new service introduction, innovation together
2 - Service Design	Design Coordination	Strategy Generation and Management	D	Provides direction on strategies, plans, future architecture and standards direction	High	Align BRM, Demand, Technical Currency Pgm mgmt, standards, architecture, new service introduction, innovation together
2 - Service Design	Design Coordination	Project Management	D	Provides execution of required architectures and standards	High	More difficult to adhere to strategic direction and targeted standards
2 - Service Design	Information Security Mgmt.	Access Management	D	requires process integration to action access-related requests according to security policy	High	Delays and ineffective processing of user access requests; can be migitated with process and system integration
2 - Service Design	Information Security Mgmt.	Event Management	D	required systematic interface to route required events to Security SIEM	High	Ineffective vulnerability management, unable to rapidly identify active/potential information security events; can be migitated with process and system integration
2 - Service Design	Information Security Mgmt.	Incident Management	D	process and system integration to provide service path to route non-security related incidents between normal incident and security incident management	High	Delays in identifying information security events; can be migitated with process and system integration
2 - Service Design	Information Security Mgmt.	Service Asset and Configuration Management	D	required systematic interface to provide asset inventory CIs to Security SIEM	High	SIEM unable to determine if full environment is being scanned
2 - Service Design	Information Security Mgmt.	Service Desk	D	Capability to report and initiate security incidents	High	Delays in reporting and actioning information security events; can be migitated with process and system integration
2 - Service Design	Service Catalog Management	Access Management	D	Provides service path to route requests	High	Ineffective operation, system integration required for mature operation
2 - Service Design	Service Catalog Management	Change Management	D	Provides service path to route requests	High	Ineffective operation, system integration required for mature operation
2 - Service Design	Service Catalog Management	Incident Management	D	Provides service path to route requests	High	Ineffective operation, system integration required for mature operation
2 - Service Design	Service Catalog Management	Knowledge Management	D	Provides content to drive catalog item rules and navigation	High	Ineffective operation, system integration required for mature operation
2 - Service Design	Service Catalog Management	Project Management	D	Provides service path to route requests	High	Slows, ineffective operation, system integration required for mature operation. *Note project management staffing can be decoupled but not the systems
2 - Service Design	Service Catalog Management	Request Management and	D	Provides service path to route requests	High	Ineffective operation, system integration required for mature operation
2 - Service Design	Service Catalog Management	Service Desk	D	Enables shift left from staffed service desk to direct end user self service	High	Ineffective operation, system integration required for mature operation
2 - Service Design	Service Level Management	Access Management	D	Provides key data for service level calculations	High	Ineffective operation, system integration required for mature operation
2 - Service Design	Service Level Management	Availability Management	D	Provides key data for service level calculations	High	Ineffective operation, system integration required for mature operation
2 - Service Design	Service Level Management	Change Management	D	Provides key data for service level calculations	High	Ineffective operation, system integration required for mature operation
2 - Service Design	Service Level Management	Incident Management	D	Provides key data for service level calculations	High	Ineffective operation, system integration required for mature operation
2 - Service Design	Service Level Management	Problem Management	D	Provides key data for service level calculations	High	Ineffective operation, system integration required for mature operation
2 - Service Design	Service Level Management	Project Management	D	Provides key data for service level calculations	High	Ineffective operation, system integration required for mature operation
2 - Service Design	Service Level Management	Request Management and	D	Provides key data for service level calculations	High	Ineffective operation, system integration required for mature operation
2 - Service Design	Service Level Management	Service Asset and Configuration	D	Provides key data for service level calculations	High	Ineffective operation, system integration required for mature operation

MSI DEPENDENCY DESCRIPTIONS – SERVICE TRANSITION

Direct Dependency, High Risk if Separated

Service Life Cycle Stage	Function	Dependent Function	Direct (D), Indirect (I)	Dependency Description	Risk Level	Risk Description
3 - Service Transition	Change Management	Service Asset and Configuration	D	Identifies configuration items that are being changed	High	Unable to perform Function, system integration required for mature operation
3 - Service Transition	Knowledge Management	Service Catalog Management	D	Method to access knowledge articles	High	Ineffective Function performance, system integration required for mature operation
3 - Service Transition	Knowledge Management	Service Desk	D	Key source of knowledge article demand and use	High	Ineffective Function performance, system integration required for mature operation
3 - Service Transition	Release and Deployment Management	Change Management	D	Provides record of the release	High	Ineffective Function performance, system integration required for mature operation
3 - Service Transition	Release and Deployment Management	Project Management	D	Provides overall release governance and coordination	High	Ineffective Function performance, system integration required for mature operation
3 - Service Transition	Release and Deployment Management	Service Asset and Configuration Management	D	Identifies configuration items that are being changed	High	Ineffective Function performance, system integration required for mature operation
3 - Service Transition	Service Asset and Configuration Management	Change Management	D	Coordinates configuration item changes	High	Unable to perform Function, system integration required for mature operation
3 - Service Transition	Service Asset and Configuration Management	Event Management	D	Identifies configuration items on and off the network	High	Ineffective Function performance, system integration required for mature operation
3 - Service Transition	Service Asset and Configuration Management	Request Management and Fulfillment	D	Leveraged to request and coordinate CI-related tasks (hw and sw)	High	Ineffective Function performance, system integration required for mature operation

MSI DEPENDENCY DESCRIPTIONS – SERVICE OPERATION

Direct Dependency, High Risk if Separated

Service Life Cycle Stage	Function	Dependent Function	Direct (D), Indirect (I)	Dependency Description	Risk Level	Risk Description
4 - Service Operation	Access Management	Request Management and	D	Capability to route and resolve access requests	High	Unable to perform Function. System integration required for mature operation
4 - Service Operation	Access Management	Service Catalog Management	D	Capability to report and route access requests for resolution	High	Ineffective Function operation, system integration required for mature operation
4 - Service Operation	Access Management	Service Desk	D	Capability to report, coordinate and resolve access requests	High	Ineffective Function operation, system integration required for mature operation
4 - Service Operation	Event Management	Incident Management	D	Destination to resolve issues identified through filtered and correlated events	High	Unable to perform Function. System integration required for mature operation
4 - Service Operation	Event Management	Service Asset and Configuration Management	D	Provides key data for accurate incident creation and resolution routing	High	Unable to perform Function. System integration required for mature operation
4 - Service Operation	Incident Management	Change Management	D	Capability to record changes resulting from incident resolution	High	Ineffective Function operation, system integration required for mature operation
4 - Service Operation	Incident Management	Event Management	D	Capability to systematically identify incidents through correlated system events	High	Unable to perform Function. System integration required for mature operation
4 - Service Operation	Incident Management	Problem Management	D	Method for reactive research and future incident avoidance	High	Ineffective Function operation, system integration required for mature operation
4 - Service Operation	Incident Management	Service Asset and Configuration Management	D	Capability to track CI's with systemic issues	High	Ineffective Function operation, system integration required for mature operation
4 - Service Operation	Incident Management	Service Catalog Management	D	Capability to report and route incidents for resolution	High	Ineffective Function operation, system integration required for mature operation
4 - Service Operation	Incident Management	Service Desk	D	Capability to report, coordinate and resolve incidents	High	Unable to perform Function. System integration required for mature operation
4 - Service Operation	Problem Management	Change Management	D	Method to coordinate resolutio for root cause fixes	High	Ineffective Function operation, system integration required for mature operation
4 - Service Operation	Problem Management	Incident Management	D	Method to coordinate resolutio for root cause fixes	High	Ineffective Function operation, system integration required for mature operation
4 - Service Operation	Problem Management	Knowledge Management	D	Provides capability to log known errors to speed future resolution	High	Ineffective Function operation, system integration required for mature operation
4 - Service Operation	Problem Management	Service Asset and Configuration	D	Capability to track CI's with systemic issues	High	Unable to perform Function. System integration required for mature operation
4 - Service Operation	Request Management and Fulfillment	Access Management	D	Destination to resolve access-related requests	High	Ineffective Function operation, system integration required for mature operation
4 - Service Operation	Request Management and Fulfillment	Service Catalog Management	D	Method for customers and service desk to action and route requests	High	Unable to perform Function. System integration required for mature operation
4 - Service Operation	Service Desk	Access Management	D	Destination to resolve service desk contacts	High	Unable to perform Function. System integration required for mature operation
4 - Service Operation	Service Desk	Change Management	D	Destination to resolve service desk contacts	High	Unable to perform Function. System integration required for mature operation
4 - Service Operation	Service Desk	Incident Management	D	Destination to resolve service desk contacts	High	Unable to perform Function. System integration required for mature operation
4 - Service Operation	Service Desk	Knowledge Management	D	Leveraged to determine how to resolve service desk contacts	High	Ineffective Function operation, system integration required for mature operation
4 - Service Operation	Service Desk	Problem Management	D	Destination to resolve service desk contacts	High	Unable to perform Function. System integration required for mature operation
4 - Service Operation	Service Desk	Request Management and	D	Destination to resolve service desk contacts	High	Unable to perform Function. System integration required for mature operation
4 - Service Operation	Service Desk	Service Catalog Management	D	Leveraged to action service desk contacts	High	Ineffective Function operation, system integration required for mature operation

MSI DEPENDENCY DESCRIPTIONS – CONTINUOUS IMPROVEMENT

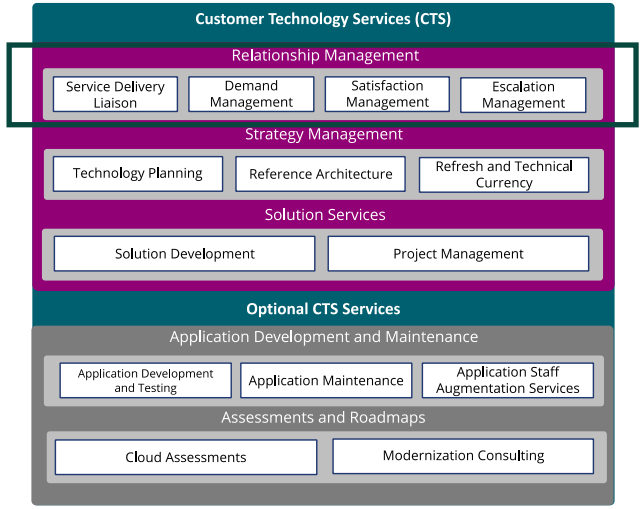
Direct Dependency, High Risk if Separated

Service Life Cycle Stage	Function	Dependent Function	Direct (D), Indirect (I)	Dependency Description	Risk Level	Risk Description
5 - Continual Service Improvement	Service Measurement	Service Level Management	D	Capability to report on Service Level performance	High	Unclear provider requirements. SLM is the proper home for this functionality
5 - Continual Service Improvement	Service Measurement	Service Review and Reporting	D	Capability to report on Service Level performance	High	Unclear provider requirements. SLM is the proper home for this functionality
5 - Continual Service Improvement	Service Review and Reporting	Service Level Management	D	Capability to report on Service Level performance	High	Unclear provider requirements. SLM is the proper home for this functionality
5 - Continual Service Improvement	Service Review and Reporting	Service Measurement	D	Capability to report on Service Level performance	High	Unclear provider requirements. SLM is the proper home for this functionality

APPENDIX

Customer Technology Services

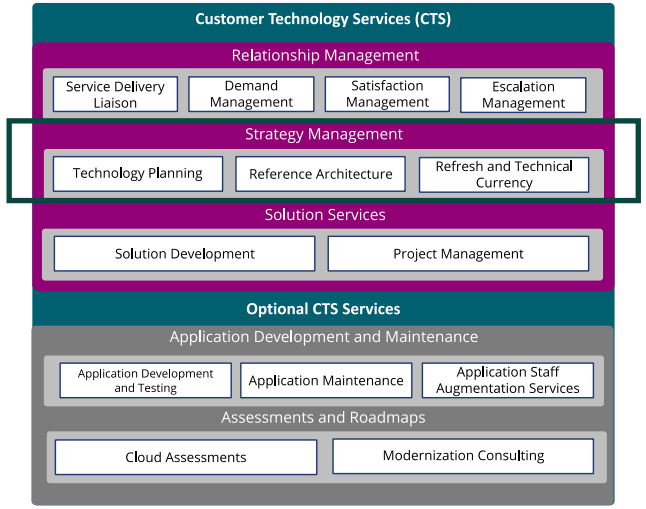
RELATIONSHIP MANAGEMENT



The development and fostering of a strong business relationship with the end-user customer by understanding their strategy and desired outcomes.

Service Delivery Liaison	Demand Management	Satisfaction Management	Escalation Management
• A liaison between the customer and VITA service providers • Ensure the day-to-day operations are performing as intended to meet the customer's business objectives	• Lead demand management activities • Capture future operations demand, project demand, and technology demands from customers • Encourage customers to make the most effective use of VITA services	• Monitor customer satisfaction and scorecard feedback for issues • Coordinate remediation through major processes and service provider delivery meetings	• Serves as an escalation point for all customer service delivery issues • Ensure issues are addressed on a timely basis.

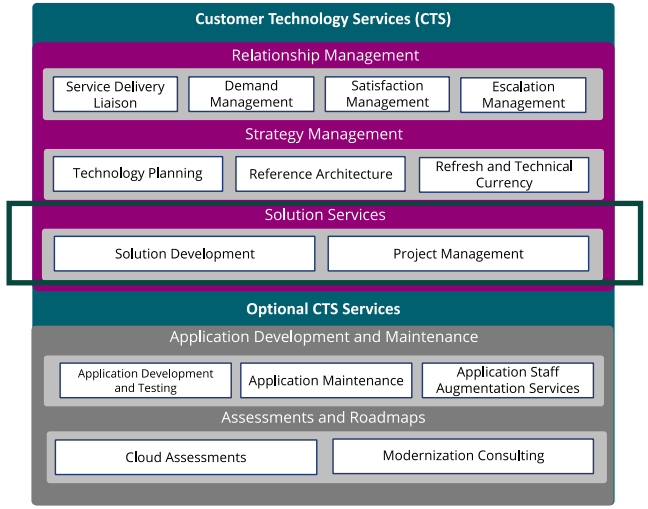
STRATEGY MANAGEMENT



The linking of business demand with the supporting IT strategies and services along with service enhancement initiatives, including a long-term strategic roadmap and shorter-term technology plans that guide the annual improvement and budgeting process.

Technology Planning	Reference Architecture	Refresh and Technical Currency
• Develop long-range, comprehensive plan for technology systems, processes, technical architecture, high-level costs, and standards based on customers' strategic direction and guidance.	• The establishment and monitoring of reference architecture standards and standard products • Evolve to a single set of operating systems and fewer versions to significantly simplify patch management and vulnerability profile	• Ensure hardware and software refreshes are completed as scheduled and in alignment with VITA strategies • Ensure the technical currency is maintained in the VITA program

SOLUTION SERVICES



Lead and manage the solution development process in response to a multi-supplier request by executing the solution development and project delivery procedures, including appropriate communications to set expectations and promote good customer services adequately.

Solution Development	Project Management
• Assist customers with the requirements development process • Establish the design, solution, price, and proposal within the agreed-upon time • Comply with VITA technology and security standards	• Provide project management for the implementation of multi-supplier projects • Coordinate all service providers' efforts to ensure the customer receives the solution as architected with all the resulting benefits

CUSTOMER TECHNICAL ARCHITECT (CTA)

The CTS service includes a customer-facing organization of CTAs that maintain overall responsibility for projects and demands and act as an interface for all technology requests.

- Undertaken with the application and technology leads within the service provider ecosystem
- Interfaces with CTS solution and engineering services on behalf of the end-user customer
- CTS leverages insights from CTAs to synchronize planning processes, improve outcomes, and achieve customer-specific strategic goals.

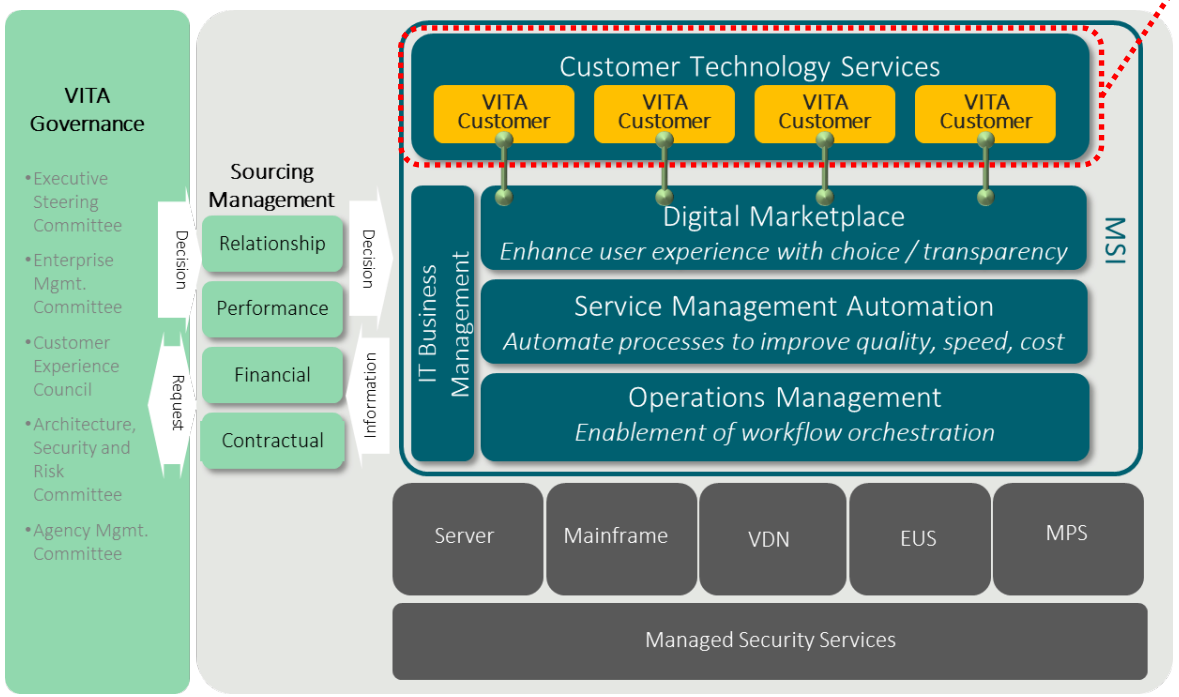
The CTA function provides the following benefits to customers:

- Ensure customer technology needs are met and implemented in a manner consistent with VITA standards
- An advisor and hands-on guide with customer-specific insights to facilitate the alignment of goals with program technology planning, refresh options, and projects
- The ability to rapidly generate high-level ROM solutions and pricing that facilitate informed decision-making on time

APPENDIX

Proposed VITA Operating Model

PROPOSED VITA OPERATING MODEL – CUSTOMER TECHNOLOGY SERVICES

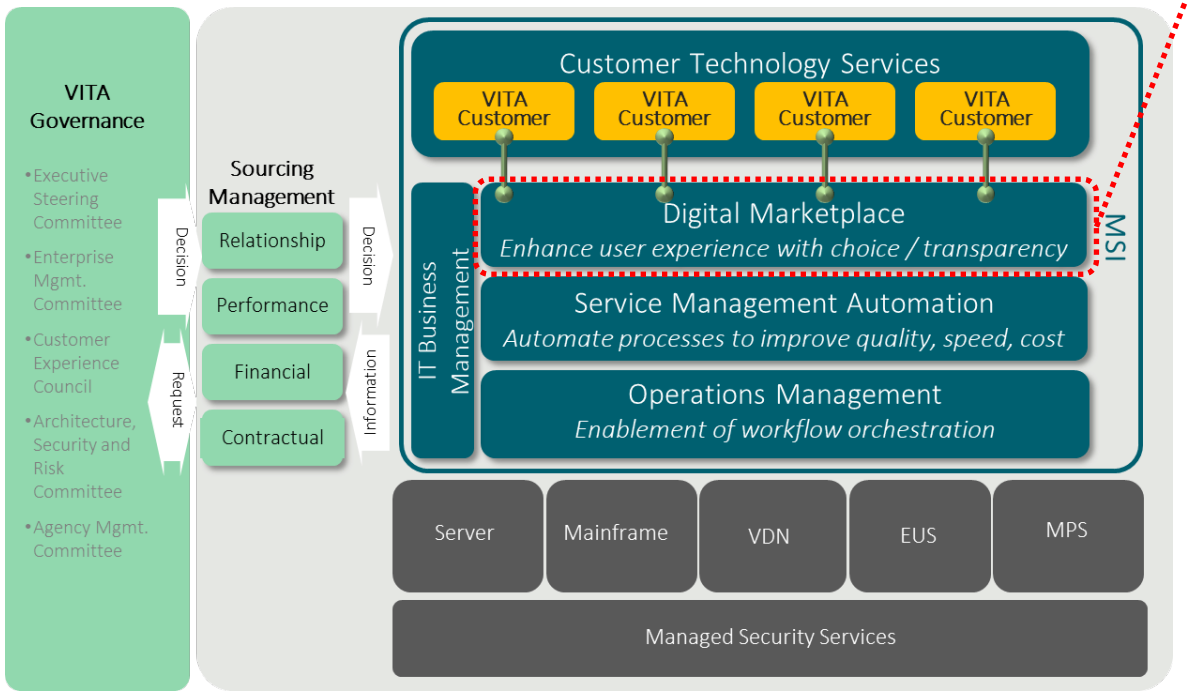


Customer Technology Services

Customer focused technology advisory

- Maintain reference architecture and standards aligning with industry trends and security policies
- Customer-centric Technology Planning aligned to VITA program strategy, standards and reference architecture
- Complex project solution design including identification and of optimal hosting strategy for each use case (public or private)
- Cross-STS project management provides leadership in the best interest of the VITA program and customer
- Enterprise program management leadership for key VITA programs including refresh and technical currency
- Enterprise customer relationship management through MSI-provided metrics and data analytics that provide operational intelligence to assisting customers to make more informed service consumption management decisions

PROPOSED VITA OPERATING MODEL – DIGITAL MARKETPLACE

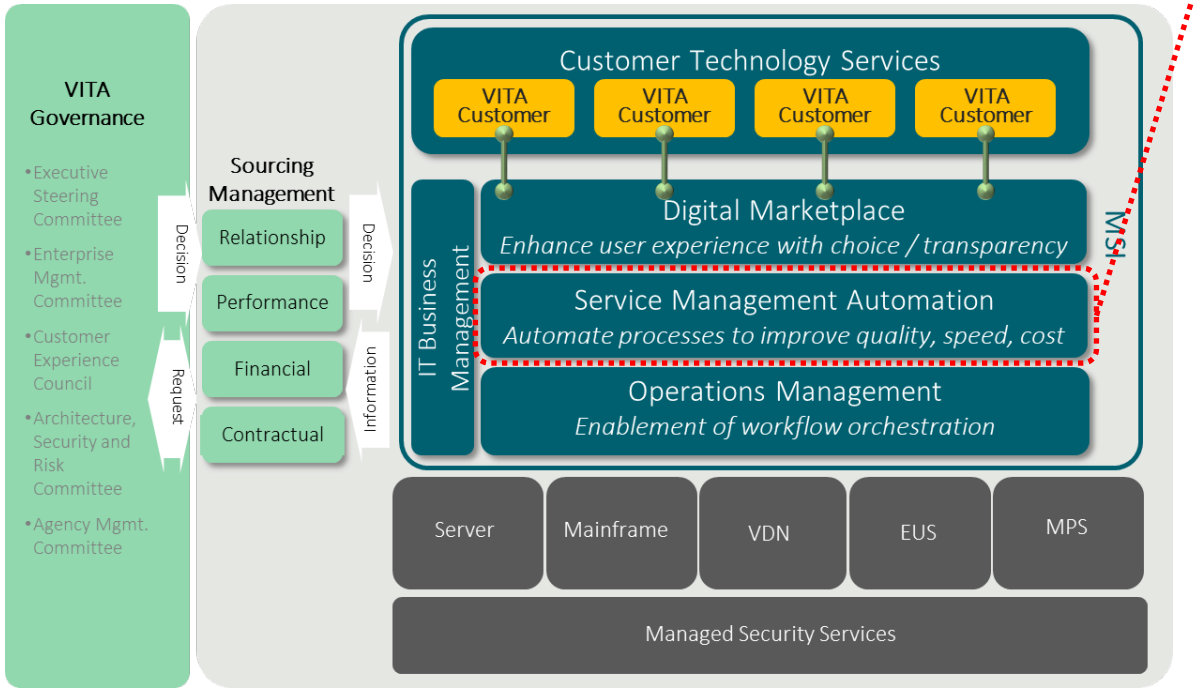


Digital Marketplace

Enhance user experience with choice and transparency

- Accessible service catalog with mobile access to order, approve, and view performance with near real-time analytics.
- Consumerized services experience from order through cash with integrated digital and contact center capabilities.
- Self-provisioning with a comparison of services and pricing by Service Provider and orchestration of direct resource provisioning, including public cloud.
- Advanced service desk platform with automated agent, advanced remote control, and intuitive tools enabling premier IT service desk and constituent help desk operations.
- Portal enabling customer and supplier digital collaboration, including access to MSI Shared Services systems, training, and process documentation.

PROPOSED VITA OPERATING MODEL – SERVICE MANAGEMENT AUTOMATION

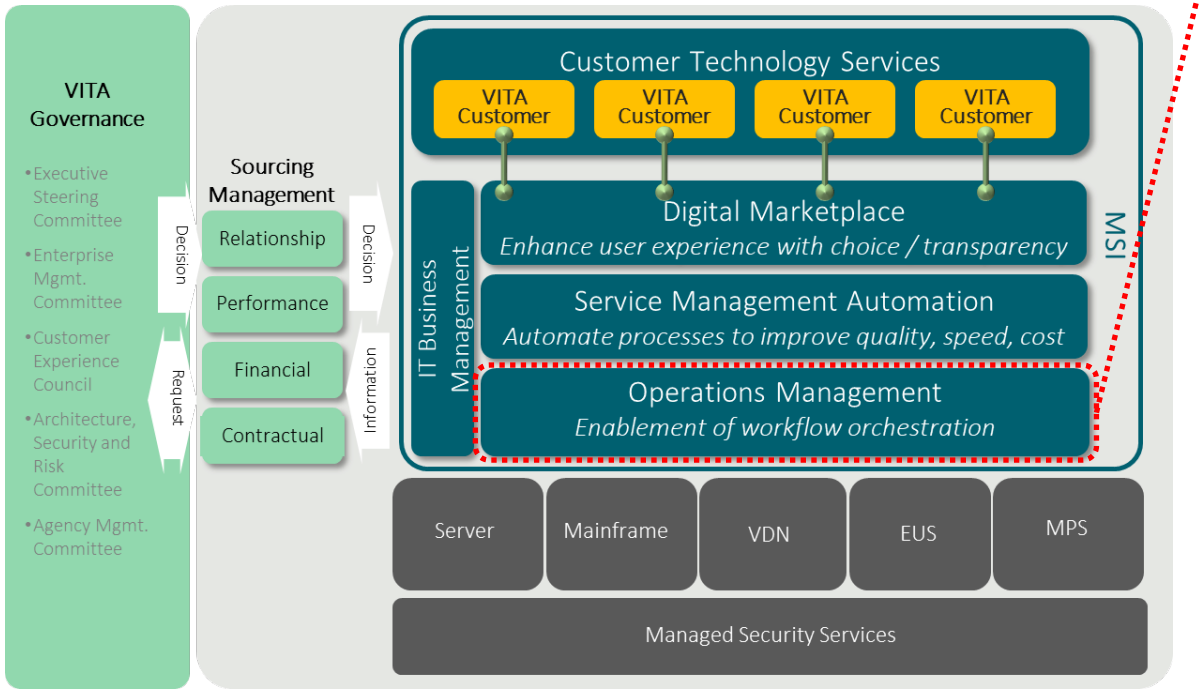


Service Management Automation

Automate processes to improve quality, speed, and cost

- Automated core ITIL functions, centralized communications, and a single system of record to enhance quality and increase speed to value.
- Digitally enabled change management including Digital CABs and the automation of low-risk frequently-executed changes initiated from the service catalog and pre-approved.
- Automated identification and validation of CI's and analytic dashboards to speed investigation and response.
- Responsive and proactive security operations management.
- Reactive and analytics-driven proactive problem management.

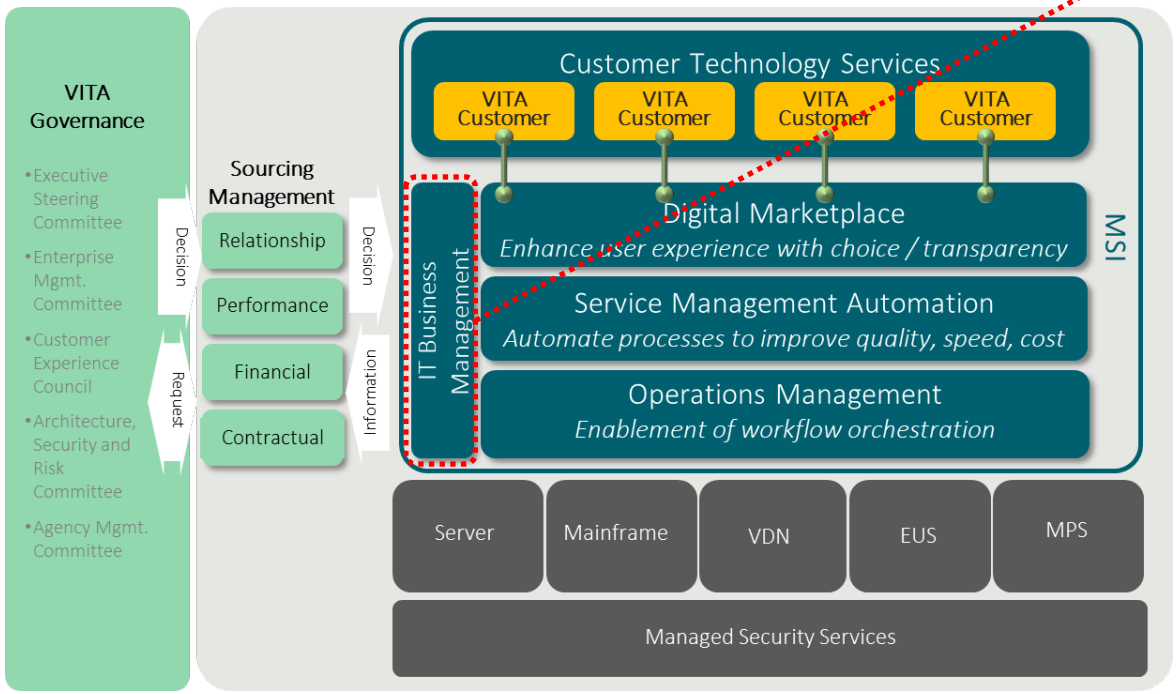
PROPOSED VITA OPERATING MODEL – OPERATIONS MANAGEMENT



Operations Management
Enablement of self-provisioning and workflow orchestration

- Brokers connections with service providers.
- Automated data quality management enabling accurate CMDB and more efficient identification of issues and restoration of services.
- Aggregation of events and automated responsive actions to increase service availability and operational agility.
- Enablement of self-provisioning and workflow orchestration.

PROPOSED VITA OPERATING MODEL – IT BUSINESS MANAGEMENT



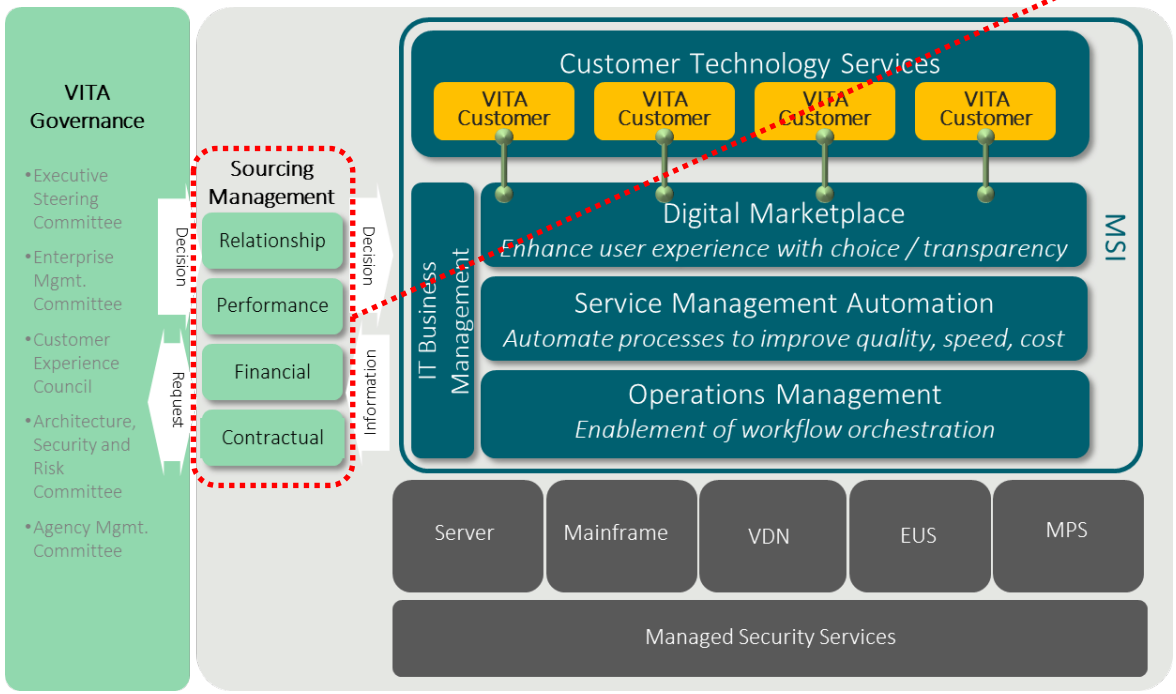
IT Business Management

Objective performance and financial transparency

> Intuitive visibility of daily SLA performance and analytics that informs and helps STSs achieve desired service performance and adhere to agreed processes.

> Financial consolidation and transparency to generate supplier statements and customer chargeback, gain visibility into spending, connect costs to service usage, and align investment to business goals.

PROPOSED VITA OPERATING MODEL – SOURCING MANAGEMENT



Sourcing Management

MSI-enabled governance through trusted insight

- VITA operated capabilities enabled with MSI digital information
- Four key sourcing domains
  1. Relationship - direction and overall service alignment between VITA, suppliers and Customers
  2. Performance - governs supplier service performance
  3. Financial - governs budgeting, forecasting, reporting for services and suppliers
  4. Contractual - performs procurement, contract compliance and change management
- Enabled by ITBM, Sourcing Management oversees program services

APPENDIX

Security Management

SECURITY MANAGEMENT

Difficult for a supplier to provide leadership for only one of many information security functions

Security Operations	Description
Set Rules and Control Environment	
Security policies and standards	Independent representation of CISO expectations objectively set and reported
Master Security Baseline Configurations (MSBC)	Provide technical specs for MSBC for other STS' to follow Avoids conflict of interest
Privileged Access Management (PAM)	Secure, control and monitor access to an organization's critical information and resources
3rd Party Oversight	Technical security guidance for prioritization of currency and patching
Vulnerability Management Program	Identify and quantify where the network is at risk, compile data, report and meet to resolve
Operations	
Perimeter Network Security	Manage IDS/IPS, Web content filtering, malware protection, DLP, managed firewall, Pen testing, forensics
Internal Network Security	Manage IDS/IPS, Web content filtering, malware protection, DLP, managed firewall, Pen testing, forensics
End Point Security	Malware protection, managed host intrusion prevention, managed FW, DLP, network access control, endpoint app/whitelist, file integrity check, etc.
Application Security	Source code scanning, vul. Scanning, web app firewall, compliance / vulnerability mgmt., pen test, access mgmt
Find and Lead Mitigation of Issues	
Security Incident and Event Monitoring (SIEM)	Process of identifying, monitoring, recording and analyzing real-time security events or incidents
Security Operations Center (SOC)	Eyes-on-glass, automation, and analytics Ex. SEIM-based log aggregation, monitoring, behavioral analytics, and event correlation
Active Threat Identification (Threat Hunting)	Spot both leading and active indicators of attacks, empowering quick responses to identified threats
Security Incident Response Command	Lead Security Incident Response and all technical coordination across STSs

APPENDIX

MSI Base Case Support

BASE CASE - TOTAL

VITA	In-Scope (Sourced)	Out-of-Scope	Grand Total
	Total	Total	
Base			
Labor - Employee	$ -	$ -	$ -
Labor - Contractor	$ -	$ -	$ -
Hardware - Owned	$ -	$ -	$ -
Hardware - Leased	$ -	$ -	$ -
Hardware - 3rd Party Maintenance	$ -	$ -	$ -
Software - System	$ -	$ -	$ -
Software - SSC	$ -	$ -	$ -
Software - Applications	$ -	$ -	$ -
Facilities	$ -	$ -	$ -
Communications - Data	$ -	$ -	$ -
Communications - Voice	$ -	$ -	$ -
3rd Party Service Contracts	$ 76,475	$ 177,326	$ 253,801
3rd Party Service Contracts - DR	$ -	$ -	$ -
Other	$ -	$ -	$ -
Total Base Case	$ 76,475	$ 177,326	$ 253,801
Adjustments			
Labor - Employee	$ -	$ -	$ -
Labor - Contractor	$ -	$ -	$ -
Hardware - Owned	$ -	$ -	$ -
Hardware - Leased	$ -	$ -	$ -
Hardware - 3rd Party Maintenance	$ -	$ -	$ -
Software - System	$ 971	$ -	$ 971
Software - SSC	$ -	$ -	$ -
Software - Applications	$ -	$ -	$ -
Facilities	$ -	$ -	$ -
Communications - Data	$ -	$ -	$ -
Communications - Voice	$ -	$ -	$ -
3rd Party Service Contracts	$ (328)	$ -	$ (328)
3rd Party Service Contracts - DR	$ -	$ -	$ -
Other	$ -	$ -	$ -
Total Normalizations	$ 643	$ -	$ 643
Normalized Base Case	$ 77,117	$ 177,326	$ 254,443
Percent of Total	30%	70%	100%

BASE CASE – TOTAL (BY SUPPLIER AND UNADJUSTED)

Supplier	Service Tower	Total	
Atos	Security	$	24,081
Iron Bow	EUS	$	48,768
Tempus Nova	Messaging	$	2,682
NTT Data	Messaging	$	11,693
Peraton	Mainframe	$	5,099
Perspecta	Mainframe	$	3,385
SAIC	MSI	$	38,138
Unisys	Server, Storage, and Data Center	$	58,611
Verizon	Voice and Data Network	$	56,467
Xerox	Managed Print	$	4,875
Total		$	253,801

MSI % *15%*

BASE CASE – SPEND IN SCOPE TO COMPARISON

VITA

	In-Scope (Sourced)																	
	Server	Server Storage	Directory Services	Data Center	Public Cloud	Mainframe	End User Computing	MDM	End User Print Services	LAN	WAN	Voice	E-mail	Enterprise Print Services	Mail Services	MSS	MSI	Apps	Total
Base																			
Labor - Employee	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
Labor - Contractor	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
Hardware - Owned	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
Hardware - Leased	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
Hardware - 3rd Party Maintenance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
Software - System	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
Software - SSC	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
Software - Applications	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
Facilities	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
Communications - Data	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
Communications - Voice	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
3rd Party Service Contracts	$ 21,434	$ 11,089	$ 3,056	$ 6,118	$ -	$ 5,990	$ 28,421	$ 367	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 76,475**
3rd Party Service Contracts - DR	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
Other	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
Total Base Case	$ 21,434	$ 11,089	$ 3,056	$ 6,118	$ -	$ 5,990	$ 28,421	$ 367	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 76,475**
Adjustments																			
Labor - Employee	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
Labor - Contractor	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
Hardware - Owned	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
Hardware - Leased	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
Hardware - 3rd Party Maintenance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
Software - System	$ 971	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 971**
Software - SSC	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
Software - Applications	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
Facilities	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
Communications - Data	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
Communications - Voice	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
3rd Party Service Contracts	$ (328)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ (328)**
3rd Party Service Contracts - DR	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
Other	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**
Total Normalizations	$ 643	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ 643**
Normalized Base Case	**$ 22,077**	**$ 11,089**	**$ 3,056**	**$ 6,118**	**$ -**	**$ 5,990**	**$ 28,421**	**$ 367**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 77,117**
Percent of Total	**9%**	**4%**	**1%**	**2%**	**0%**	**2%**	**11%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**0%**	**30%**

BASE CASE – SPEND OUT OF SCOPE TO COMPARISON

VITA

	Out-of-Scope																		Grand Total
	Server	Server Storage	Directory Services	Data Center	Public Cloud	Mainframe	End User Computing	MDM	End User Print Services	LAN	WAN	Voice	E-mail	Enterprise Print Services	Mail Services	MSS	MSI	Apps	Total	
Base																				
Labor - Employee	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**
Labor - Contractor	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**
Hardware - Owned	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**
Hardware - Leased	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**
Hardware - 3rd Party Maintenance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**
Software - System	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**
Software - SSC	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**
Software - Applications	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**
Facilities	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**
Communications - Data	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**
Communications - Voice	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**
3rd Party Service Contracts	$ 7,870	$ -	$ -	$ 2,119	$ 7,422	$ 2,494	$ 20,347	$ -	$ 4,875	$ 12,335	$ 31,788	$ 12,344	$ 14,009	$ -	$ -	$ 23,584	$ 38,138	$ -	**$ 177,326**	**$ 253,801**
3rd Party Service Contracts - DR	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**
Other	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**
Total Base Case	$ 7,870	$ -	$ -	$ 2,119	$ 7,422	$ 2,494	$ 20,347	$ -	$ 4,875	$ 12,335	$ 31,788	$ 12,344	$ 14,009	$ -	$ -	$ 23,584	$ 38,138	$ -	**$ 177,326**	**$ 253,801**
Adjustments																				
Labor - Employee	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**
Labor - Contractor	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**
Hardware - Owned	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**
Hardware - Leased	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**
Hardware - 3rd Party Maintenance	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**
Software - System	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ 971**
Software - SSC	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**
Software - Applications	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**
Facilities	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**
Communications - Data	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**
Communications - Voice	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**
3rd Party Service Contracts	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ (328)**
3rd Party Service Contracts - DR	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**
Other	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ -**
Total Normalizations	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	**$ -**	**$ 643**
Normalized Base Case	**$ 7,870**	**$ -**	**$ -**	**$ 2,119**	**$ 7,422**	**$ 2,494**	**$ 20,347**	**$ -**	**$ 4,875**	**$ 12,335**	**$ 31,788**	**$ 12,344**	**$ 14,009**	**$ -**	**$ -**	**$ 23,584**	**$ 38,138**	**$ -**	**$ 177,326**	**$ 254,443**
Percent of Total	**3%**	**0%**	**0%**	**1%**	**3%**	**1%**	**8%**	**0%**	**2%**	**5%**	**12%**	**5%**	**6%**	**0%**	**0%**	**9%**	**15%**	**0%**	**70%**	**100%**

BASE CASE - ADJUSTMENTS

Tower (List)	Expense Type (List)	RU	Notes	Base Year Spend
Server	Software - System	Windows Licensing Estimate	Total number of instances * license cost for windows server	$ 970,988
Server	3rd Party Service Contracts	Server HIPS	Removing HIPS (6 months) at average cost per month (not discretely billed in new contracts and now provided by Unisys)	$ (328,470)

- Adjustments description:
  - Windows Licensing Estimate - VITA supplier spend did not include OS costs for windows servers – adjusted for this by adding estimated annual licensing costs for the number of windows servers supported during the spend period
  - Server HIPS – HIPS likely included in new Unisys Data center rates and not discretely billed – removed estimated cost for 6 months

BASE CASE – EXCLUSIONS AND MOVEMENTS (OUT-OF-SCOPE)

Supplier	Tower	Scope Disposition	Total	Exclusion/Movement Reason
SAIC	MSI	Out-of-Scope	38,138,480	Included as part of 12/15 Market Comparison for MSI
Verizon	WAN	Out-of-Scope	31,788,294	Comparison did not include E-mail tower
	LAN	Out-of-Scope	12,335,146	Comparison did not include Network tower
	Voice	Out-of-Scope	12,343,884	Comparison did not include Network tower
Xerox	End User Print Services	Out-of-Scope	4,875,454	Comparison did not include Network tower
Tempus Nova	E-mail	Out-of-Scope	2,682,250	Comparison did not include End User Print Tower
NTT Data	E-mail	Out-of-Scope	11,326,253	Comparison did not include E-mail tower
	MDM	In-Scope	366,744	Moved MDM portion of NTT spend to MDM sub-tower and included in End User Compute
Atos	MSS	Out-of-Scope	23,583,972	Comparison did not Security Tower - only security services for the end-points in-scope to the comparison (Servers, Computers, Mainframe)
	Server	Out-of-Scope	328,468	Moved security serviced for server end-points to the server tower - excluded the managed host intrusion protection portion
		In-Scope	168,557	Moved security serviced for server end-points to the server tower - included the Antivirus Portion
Iron Bow	End User Computing	Out-of-Scope	19,706,491	Excluded items out-of-scope to comparison in order to have consistent "like-for-like" elements in all comps; HW - $16.3M, Optional Services (Offline service status; BYOD) - $.048M), Pass-thru purchases - $3.34M)
		In-Scope	29,061,454	
Peraton	Mainframe	Out-of-Scope	1,516,202	Excluded items out-of-scope to comparison in order to have consistent "like-for-like" elements in all comps - Business Applications
		In-Scope	3,583,091	
Perspecta	Mainframe	Out-of-Scope	978,177	Excluded items out-of-scope to comparison in order to have consistent "like-for-like" elements in all comps - Business Applications
		In-Scope	2,407,101	
Unisys	Data Center	Out-of-Scope	2,118,864	Excluded items out-of-scope to comparison in order to have consistent "like-for-like" elements in all comps - DC LAN
		In-Scope	6,118,010	
	Directory Services	In-Scope	3,055,513	
	Public Cloud	Out-of-Scope	7,421,774	Comparison did not include Public Cloud
	Server	Out-of-Scope	7,541,735	Excluded items out-of-scope to comparison in order to have consistent "like-for-like" elements in all comps: Database Services $.56M, Migration Charges $6.98M
		In-Scope	21,265,913	
	Server Storage	In-Scope	11,088,797	
Grand Total			253,800,625	

APPENDIX

MSI Sourcing Transaction Resource Requirements

VITA RESOURCE ASSUMPTIONS

VITA Team Roles	# Resources	Responsibilities
Procurement Administrator - **Name**	1 FTE from market release to negotiations	▪ Manage session scheduling logistics (rooms, conf bridges, remote collaboration tooling): pre-proposals, clarifications, integrations, due diligence, and negotiations ▪ Support creation of evaluation summary ▪ Lead data room and due diligence internal document gathering ▪ Support evaluation process to include: identifying evaluators, managing evaluator resource allocations, managing evaluator review timeliness, support Procurement Leader/Purchaser in ensuring documents loaded to evaluator folder
Procurement Leader/Purchaser - **Name**	1 FTE from market release to negotiations	▪ Lead overall solicitation effort and ensure alignment with statewide procurement policy ▪ Manage VITA evaluation process to include: Review and approval of evaluator training content, schedule and facilitate evaluator training, develop evaluation summary, manage evaluator communications, assist in scheduling evaluator training, and acting as an interface for Q&A ▪ Monitor all Respondent-related sessions (Pre-proposal, Clarification, Integration, Due Diligence, Negotiations) ▪ Manage data room logistics and access controls ▪ Manage NDA validation for access to data room ▪ Manage evaluator access and materials posted to evaluation folder ▪ Manage all direct communication with Respondents from solicitation release through award: RFP Q&A, AR1/2+ responses, session scheduling, due diligence, other notifications

VITA RESOURCE ASSUMPTIONS

VITA Team Roles	# Resources	Responsibilities
Tower Workstream Leads - **Name (MSI)** - **Name (STS1)** - **Name (STS2)**	Partial FTE per RFP (.75+)	▪ Gather data required for procurement data room and due diligence process ▪ Accountable for service requirements (development and adjustments) throughout solicitation process ▪ Provide content inputs, review and approval of solution evaluator training and detailed evaluation considerations and response instructions ▪ Provide clarity regarding requirements in legacy or existing agreements ▪ Attend evaluation training; provide evaluator SME support during evaluations ▪ Conduct technical solution assessment for each RFP document turn; document questions, themes, and comments ▪ Guide clarification and integration session topics, co-lead solution sections of clarification and integration sessions with Advisor Service Architect ▪ Support development of negotiation topics and positions; participate in facilitation of negotiations sessions ▪ Assist Advisor Service Architect in due diligence request prioritization and triage and participate in due diligence sessions ▪ Support development and validation of acceptance criteria for transition milestones
Legal **- TBD**	Partial FTE per RFP (.15 - .25)	▪ Accountable for validating exceptions risk profile for each Response ▪ Participate as required in evaluator training to discuss exceptions' impact on solution response (evaluation criteria dependent) ▪ Support Advisor Project Director in framing legal session strategy, topics, questions, and use cases ▪ Co-facilitate legal exception sessions ▪ Support development of negotiation topics and positions; participate in negotiations sessions ▪ Accountable for drafting changes to the MSA and validate changes to contract attachments

VITA RESOURCE ASSUMPTIONS

VITA Team Roles	# Resources	Responsibilities
Financial Lead - **Name**	Partial FTE per RFP (.5+)	▪ Provide RU volumes and financial data to inform and evolve base case ▪ Participate with Advisor in financial response assessment ▪ Participate as required in evaluator training to discuss pricing assumption impact on solution response ▪ Support Advisor Finance Lead in framing finance session strategy, topics, questions and use cases ▪ Participate in financial sessions with Respondents as required ▪ Support Advisor Finance Lead in prioritizing and managing Respondent assumptions ▪ Participate in clarification and integration sessions to assess impacts and risks (solution to financial) ▪ Act as VITA single point of contact to approve financial requirement changes (Exhibit 4-series: Financial Terms, Pricing Structure, etc.) throughout solicitation lifecycle ▪ Assist Advisor Finance Lead in due diligence request prioritization and triage; assessing impact to financial risk and driving prioritization ▪ Facilitate and participate in data gathering and due diligence meetings as required (limited) ▪ Support development of negotiation topics and positions; participate in negotiations sessions ▪ Support Advisor Financial lead in Response normalization process ▪ Support Advisor Financial lead in developing periodic base case presentations to Steering Committee ▪ Support Advisor Financial lead in developing chargeback methodology and customer impact analysis
Incumbent Contract Manager **- Name**	Partial FTE per RFP (.15 - .25)	▪ Develop and communicate termination assistance notices ▪ Ensure STS alignment with Procurement and Transition support activities ▪ Support the development of an internal disentanglement plan ▪ Support facilitation of knowledge transfer process between Incumbent and new Service Provider ▪ Facilitate contract changes related to modifications to STS incumbent contracts to support the new MSI solution and contract (cross-functional requirements, SLAs, deliverables)

VITA RESOURCE ASSUMPTIONS

VITA Team Roles	# Resources	Responsibilities
Information Security SME - **Name**	Partial FTE (.25)	▪ Accountable for cross-functional security service requirements, SMM adjustments, and required service integrations between Tower and MSS ▪ Responsible for data redactions as required ▪ Review solution responses to ensure alignment of solution to Information Security policies and standards ▪ Provide evaluator SME support during evaluations as required ▪ Provide security guidance to Advisor Service Architect to form clarification and integration session topics ▪ Support Advisor Service Architect in leading Information Security solution topics for integration sessions; engage MSS to participate as required ▪ Support Advisor Service Architect in due diligence request prioritization and triage and participate in due diligence sessions (limited) ▪ Support development of negotiation topics and positions ▪ Support development and validation of acceptance criteria for transition milestone documents related to Information Security integration points and processes
MSI Service Delivery Owner **- MSI Support**	Partial FTE (.5)	▪ Gather data required for procurement data room and due diligence process ▪ Accountable for cross-functional service requirements and SMM ▪ Accountable for program-wide service levels and deliverables to maintain standards and consistency ▪ Participate in clarification and integration sessions to assess impacts and risks ▪ Facilitate and participate in data gathering and due diligence meetings as required ▪ Support development of negotiation topics and positions; participate in negotiations sessions ▪ Support development and validation of acceptance criteria for transition milestone documents

VITA RESOURCE ASSUMPTIONS

VITA Team Roles	# Resources	Responsibilities
Evaluators	5 per RFP - dedicated during evaluation periods, clarifications, integrations	▪ Attend all evaluator sessions (team meetings, trainings, etc.) ▪ Thoroughly evaluate responses in a timely manner (see schedule assumptions) ▪ Engage SMEs to clarify response questions ▪ Participate in Core Team meetings as required ▪ Keep Procurement Administrator aware of any scheduling conflicts ▪ Attend clarification and integration sessions
Roles supporting OCM	Partial FTE 0.5 FTE pre-RFP release and transition 0.1 FTE during gap periods	▪ Identify stakeholder groups for outreach, communications, and change impact ▪ Provide leadership in decision making and final approvals of documentation ▪ Co-create and evolve sourcing management and governance (SM&G) ▪ Engage in the review of OCM documentation, plans, and activities ▪ Aid in the approval process for stakeholder communications ▪ Active participation in governance model and process implementation

CLARIFICATION SESSION ROLES/ATTENDEES

- 1-2 Days per Respondent
- Participants by Workstream

Session	VITA Role	Advisory Support
Facilitation (Open, Close)	Procurement Leader/Purchaser	Project Director
Services Solution	Workstream Lead	Service Architect
Cross-Functional Solution	Workstream Lead, MSI	Service Architect
Pricing and Financial	Financial Lead	Financial Lead
Commercial & Legal	Legal	Project Director
Additional Participants	Required: Evaluators, Executive Open / Exec Alignment Session Optional: Steering Committee	N/A

INTEGRATION SESSION ROLES/ATTENDEES

- 1-2 Days per Respondent
- Participants by Workstream

Session	VITA Role	Advisory Support
Facilitation (Open, Close)	Procurement Leader/Purchaser	Project Director
Services Solution	Workstream Lead	Service Architect
Cross Functional Solution	Workstream Service Delivery Owner, MSI	Service Architect
Pricing & Financial	Financial Lead	Financial Lead
Commercial & Legal	Legal	Project Director
Additional Participants	Required: Evaluators, Executive Open / Exec Alignment Session Optional: Steering Committee	N/A

DUE DILIGENCE SESSION ROLES/ATTENDEES

- Assumes 2 Non-Incumbent Respondents remaining in process: 2 hours per week with each Respondent
- Participants by Workstream

Session	Frequency	VITA Role	Advisory Support
Facilitation	All Sessions	Procurement Leader/Purchaser	Service Architect
Solution	All Sessions	Workstream Lead	Service Architect
Pricing & Financial	Closeout Session 1-2 other Sessions	Financial Lead	Financial Lead
Commercial & Legal	None anticipated	Legal, Contracts	Project Director
Additional Participants	As need based on DD Requests; also supporting data gathering	MSI, Security, Technical SMEs	N/A

NEGOTIATION SESSION ROLES/ATTENDEES

- Assumes 1 Respondent remaining
- 5-6 weeks of negotiations (Monday Internal, Tues – Friday External)
- Participants by Workstream

Workstream	Frequency	Session	VITA Primary	Advisory Support
General	All	Facilitation, Session Logistics, Guardrails, Schedule	Procurement Leader/Purchaser	Project Director
Solution	3+ sessions/wk	Services Solution Sessions	Workstream Lead	Service Architect
Solution	3-5 sessions	Cross Functional Solution	Workstream Lead	Service Architect, MSI
Solution	1-2 sessions	Performance Mgmt.	Workstream Lead, Performance Mgmt Lead?	Service Architect
Solution	1-3 sessions	Security	Info. Security SME	Service Architect
Solution	1 session	Key Personnel Interviews	Various	Project Director

NEGOTIATION SESSION ROLES/ATTENDEES

- Assumes 1 Respondent remaining
- 5-6 weeks of negotiations (Monday Internal, Tues – Friday External)
- Participants by Workstream

Workstream	Frequency	Session	VITA Primary	Advisory Support
Solution	1-2 sessions	In-Flight Project Guardrails	Customer Relationship, Workstream Lead	Project Director
Solution	1 session/wk	Tooling Matrix	Workstream Lead	Service Architect
Solution	1 session	Service Evolution and Optimization	Workstream Lead	Service Architect
Finance	1-2 sessions/wk	Pricing & Financial	Financial Lead	Financial Lead
Business	1-2 sessions/wk	Commercial & Legal	Legal, Contracts	Project Director
Transition	3-4 sessions / wk (last 2 weeks)	Transition Milestone Planning	Transition PM	Service Architect

ADVISOR ROLES

Advisor Team Roles	Responsibilities
Project Director	▪ Provide VITA leadership with strategic and tactical advisory support to meet objectives and deliver outcomes on time ▪ Ensure program level continuity across all phases of the program: Strategy, Requirements, Procurement / Solicitation, Transition, Implementation ▪ Ensure program level continuity and integration across the service towers and procurement tracks, including program management, communications, OCM, and financial management ▪ Ensure adherence to the program schedule ▪ Provide input to VITA project management team to update and maintain the project plan ▪ Provide guidance on risks and issues, including mitigation strategies and remedies ▪ Accountable for RFP question and answer facilitation ▪ Accountable for contract document structure, version control, and identification of document ownership; accountable for Governance Model and Operating Agreement contract docs ▪ Facilitate development and quality assurance of RFP Addenda and Amended response instructions ▪ Facilitate development of materials and orchestration of all Offeror sessions (pre-proposal, clarifications, integrations, due diligence, and negotiations) ▪ Provide subject matter expertise on market-based commercial terms and conditions ▪ Accountable for developing exceptions risk profile for each Response and validating with VITA stakeholders for purposes of response evaluation ▪ Develop evaluator read-out of Exceptions assessment process ▪ Develop legal session strategy, topics, questions and use cases; co-facilitate legal sessions ▪ Support development of negotiation topics and positions; participate in negotiations sessions ▪ Accountable for drafting changes to the RFP (and related attachments),General Provisions

ADVISOR ROLES

Advisor Team Roles	Responsibilities
Service Architect	▪ Identify data required for procurement data room and due diligence process; coordinate with VITA in gathering and preparing data to support response requirements ▪ Accountable for the overall design and integrity of the operating model and the integration of the service towers with the MSI ▪ Accountable for Service Model and Performance Model requirements development (SOW, SMM, SLAs, Deliverables, Reports, and Solution/Transition Response framework) ▪ Facilitate RFP Q&A process; coordinate with VITA stakeholders to draft and approve responses ▪ Develop solution evaluation considerations, response instructions, and evaluator training materials ▪ Facilitate evaluator training and act as SME support during evaluations ▪ Conduct independent solution and transition response assessment to prepare for Respondent sessions ▪ Coordinate the development of clarification questions and integration session topics ▪ Co-lead solution sections of clarification and integration sessions ▪ Capture and document Amended Response instructions and draft required changes to any Service and Performance-related documents. ▪ Coordinate due diligence, including setting objectives, assessing the plan, prioritizing and triaging Respondent requests, and driving issues to closure ▪ Develop negotiation topics and positions; facilitate solution workstream during negotiations ▪ Develop transition milestone details to ensure operational readiness prior to Commencement and continued Service Evolution post-Commencement

ADVISOR ROLES

Advisor Team Roles	Responsibilities
Financial Advisor	▪ Accountable for Business Model requirements development (financial provisions, pricing template, financial responsibility matrix, etc.) ▪ Plan and lead the financial and resource unit consumption data gathering process with support from VITA subject matter experts ▪ Develop, update, and maintain the financial base case and business case models ▪ Prepare a financial model of the future operating environment under the proposed future state environment ▪ Responsible for Finance team preparations, facilitation, and documentation of critical events through all phases of the project ▪ Evaluate pricing against the base case ▪ Facilitate financial sessions during Clarification, Integration, and Negotiations ▪ Develop chargeback methodology and customer impact analysis ▪ Provide VITA with financial transition and steady-state implementation support

ADVISOR ROLES

Advisor Team Roles	Responsibilities
Organizational Change Management (OCM)	▪ Accountable for the overall integrity of the organizational change program ▪ Coordinate with VITA leadership in the development and execution of the organizational change strategy ▪ Identify stakeholders and analyze their roles and responsibilities within the proposed organizational structure ▪ Co-create with VITA an executive communication strategy and program governance structure ▪ Develop the Sourcing Management organization design, roles and responsibilities, and position descriptions to support the Shared Services program ▪ Establish the Shared Services Governance model, including charter, committees, participants, meeting cadence, and agenda items ▪ Identify, quantify, document, and facilitate any internal organizational changes within VITA needed to provide the proper oversight and support of the Shared Services program and related Suppliers ▪ Support and facilitate organizational changes ▪ Provide guidance on OCM risks and issues, including mitigation strategies and remedies

OTHER

VISION AND DESIRED OUTCOMES - PREVIOUS

VITA Vision
To be Virginia's most customer-focused technology partner, empowering the Commonwealth to achieve more through innovative, efficient, and secure technology.

MSI Desired Outcomes			
Performance *Quality services that meet customer expectations delivered timely in a secure environment*	**Agility** *Catalog-driven self-provisioning and robust service lifecycle management*	**Innovation** *Proactively anticipate program needs and leverage market experience to solve*	**Value** *Provide essential MSI services at a lower cost that scales with the program*

Critical Success Factors					
Remove complexity	Teamwork - VITA, MSI, STSs	Partnership with agency customers	Enhanced cybersecurity	Stakeholder role clarity	Executable service transition plan

MSI DEPENDENCIES

Legend:

D – Direct, tightly coupled capabilities

SOW Categories	Requirement Capabilities	Strategy Generation and Management	IT Technology Planning	Financial Management for IT Services	Service Portfolio Management	Demand Management	Business Relationship Management	Design Coordination	Service Catalog Management	Service Level Management	Availability Management	Capacity Management	IT Service Continuity Mgmt.	Information Security Mgmt.	Risk Management	Supplier Management	Change Management	Release and Deployment Management	Project Management	Service Asset and Configuration Management	Knowledge Management	Service Desk	Incident Management	Event Management	Problem Management	Request Management and Fulfillment	Access Management	Service Review and Reporting	Process Evaluation and Currency	Service Measurement	Improvement Planning	Technical Innovation	Technical Currency
Service Strategy	Strategy Generation and Management				D		D	D																							D	D	
	IT Technology Planning	D		D	D	D	D	D							D					D												D	D
	Financial Management for IT Services						D													D													
	Service Portfolio Management	D				D	D	D					D																				
	Demand Management				D							D							D													D	
	Business Relationship Management	D		D	D					D		D							D	D									D				
Service Design	Design Coordination	D			D				D										D														
	Service Catalog Management							D									D		D		D	D	D			D	D						
	Service Level Management						D				D						D		D	D			D		D	D	D	D		D			
	Availability Management								D		D	D											D	D	D								
	Capacity Management					D	D			D										D													
	IT Service Continuity Mgmt.				D					D																		D					
	Information Security Mgmt.																			D		D	D	D			D						
	Risk Management								D		D	D	D		D																	D	
	Supplier Management			D					D																			D					
Service Transition	Change Management							D	D								D		D		D	D	D										
	Release and Deployment Management															D		D	D														
	Project Management					D	D	D	D	D							D																	
	Service Asset and Configuration Management			D			D			D		D				D	D					D	D		D								
	Knowledge Management								D													D											
Service Operation	Service Desk								D					D			D				D		D	D	D								
	Incident Management								D	D	D			D			D			D		D		D	D								
	Event Management										D			D						D			D		D								
	Problem Management									D	D						D			D	D	D	D	D									
	Request Management and Fulfillment								D	D										D		D					D						
	Access Management								D	D				D								D						D					
	Service Review and Reporting							D			D																			D			
Continuous Improvement	Process Evaluation and Currency																																
	Service Measurement									D																					D			
	Improvement Planning	D																															
	Technical Innovation	D				D																											
	Technical Currency	D	D										D						D														

See Appendix for dependency descriptions

VITA PROGRAM EVOLUTION

The VITA program must continue to evolve and build upon the foundations of success to partner with agency customers on their journey to leverage IT innovations to meet their missions.

Enterprise Services

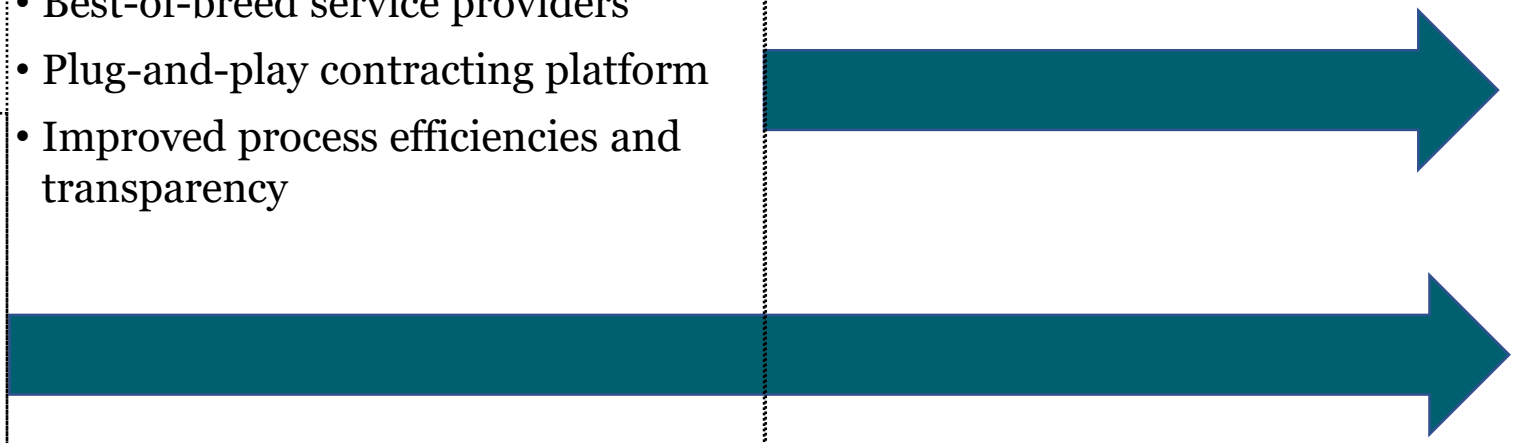
- Establish shared services program
- Upgrade technology, increase security, and gain economies of scale
- Facilitate consolidation of services and data centers

Brokered Services

- Best-of-breed service providers
- Plug-and-play contracting platform
- Improved process efficiencies and transparency

Strategic Services

- Move up the stack to drive modernization strategies
- Leverage IaaS, PaaS, and SaaS for true consumption-based service
- Digitize service integration with cloud-based automation platforms



1.0 Outsource to Consolidate	2.0 Multisource to Optimize	3.0 As-a-Service to Modernize
2005 - 2017	2018 - 2022	2023 -->

SOURCING OPTIONS ASSESSMENT

		Operational Options			Option 1			Option 2			Option 3		
SOW Category	SOW Service	Option 1	Option 2	Option 3	Capability	Cost	Risk	Capability	Cost	Risk	Capability	Cost	Risk
CTS	Strategy Management	MSI	MSI	**VITA**									
CTS	Relationship Management	MSI	MSI	**VITA**									
CTS	Demand Management	MSI	MSI	**VITA**									
CTS	Solution Services	MSI	MSI	**VITA**									
CTS	Project/Program Mgt	MSI	MSI	**VITA**									
CTS	Release Mgt	MSI	MSI	**VITA**									
CTS	Modernization Services (Optional)	MSI	MSI	**VITA**									
CTS	Cloud Mgt	MSI	MSI	**VITA**									
CTS	Service Portfolio Mgt	MSI	MSI	**VITA**									
Marketplace	Collaboration	MSI	MSI	MSI									
Marketplace	Communications	MSI	**VITA**	**VITA**									
Marketplace	Portal	MSI	MSI	MSI									
Marketplace	Service Catalog Mgt	MSI	MSI	MSI									
Marketplace	Service Desk	MSI	MSI	MSI									
Service Mgt	Access Mgt	MSI	MSI	MSI									
Service Mgt	Asset Inventory	MSI	MSI	MSI									
Service Mgt	Change Mgt	MSI	MSI	MSI									
Service Mgt	Configuration Mgt	MSI	MSI	MSI									
Service Mgt	Incident Mgt	MSI	MSI	MSI									
Service Mgt	IT Service Continuity	MSI	MSI	MSI									
Service Mgt	Problem Mgt	MSI	MSI	MSI									
Service Mgt	Request Mgt	MSI	MSI	MSI									
Service Mgt	Security Mgt (1)	MSI	**MSS**	**VITA**									
Service Mgt	SW License Mgt	MSI	**STSs**	**STSs**									
Operations Mgt	Data Quality Mgt	MSI	MSI	MSI									
Operations Mgt	Enterprise Event Mgt	MSI	**STSs**	**STSs**									
Operations Mgt	Workflow Orchestration	MSI	MSI	MSI									
ITBM	Availability Mgt	MSI	**Eliminate**	**Eliminate**				N/A	N/A		N/A	N/A	
ITBM	Capacity Mgt	MSI	**STSs**	**STSs**									
ITBM	ITFM	MSI	MSI/SOW	MSI/SOW									
ITBM	Operational Intelligence	MSI	MSI	MSI									
ITBM	Risk Mgt	MSI	**VITA**	**VITA**									
ITBM	Service Delivery Mgt	MSI	MSI	**VITA**									
ITBM	Service Level Mgt	MSI	MSI/SOW	MSI/SOW									

MSI SOURCING OPTIONS

Options	1: Remove MSI	2: Outsource MSI	3: Retain MSI
Description	Eliminate MSI, move cross-functional services to STSs	Continue to outsource MSI services	Move MSI functionality to VITA
Benefits	• Potential cost savings	• Operating model continuity • Integration and governance • Standardized processes • Single source of truth • Agility to replace Suppliers • Least disruptive option	• Potential cost savings • Invest in state employees
Challenges	• Integration and governance • Processes not standardized • No single source of truth • Supplier lock-in	• Evolution of model/culture • Value proposition	• Transition disruption risk • Ability to attract/retain talent

MSI ORIGINS AND BENEFITS

ORIGINS	MULTISOURCING Best-of-breed Service Providers improve quality and lower risk	COMPLEXITY Integration and governance of multiple Service Providers is challenging	TECHNOLOGY The rapid pace of technology evolution requires supply chain agility	PROCESS ITIL provides a common language and framework to drive process standardization	CUSTOMERS IT users expect an Amazon-like seamless experience in the ordering and delivery of service
BENEFITS	STANDARDIZATION Consistent processes and terminology across the supply chain ecosystem	AGILITY Greater flexibility to plug-and-play new services and suppliers into the model based upon performance	COORDINATION Governance and controls consistently applied to facilitate integrated service delivery	TRANSPARENCY Data-driven insight of performance, effectiveness, and efficiency of service providers	CLARITY Single system of record coordinates efforts with clear accountability and reporting

WHAT WE HEARD

Notes from meeting with Naveen on MSI scope:

1. Culture has started to shift; VITA working with Suppliers, not just pointing to contract requirements
2. Admin willing to change the MSI model; fans and detractors of current approach
3. Need to address current service deficiencies now but should not dictate next-gen MSI scope
4. ITFM – working well, leave with MSI
5. Solutioning/RFS, New Services - biggest pain points for Bob and agencies
6. Problem Management, ITSM, PMO, SPLM - Naveen pain points
7. Security – bring back to VITA; MSI does not do much
8. Cloud – intent is to move more workloads to cloud; COV does not have a strategy; lack of ownership is the underlying problem