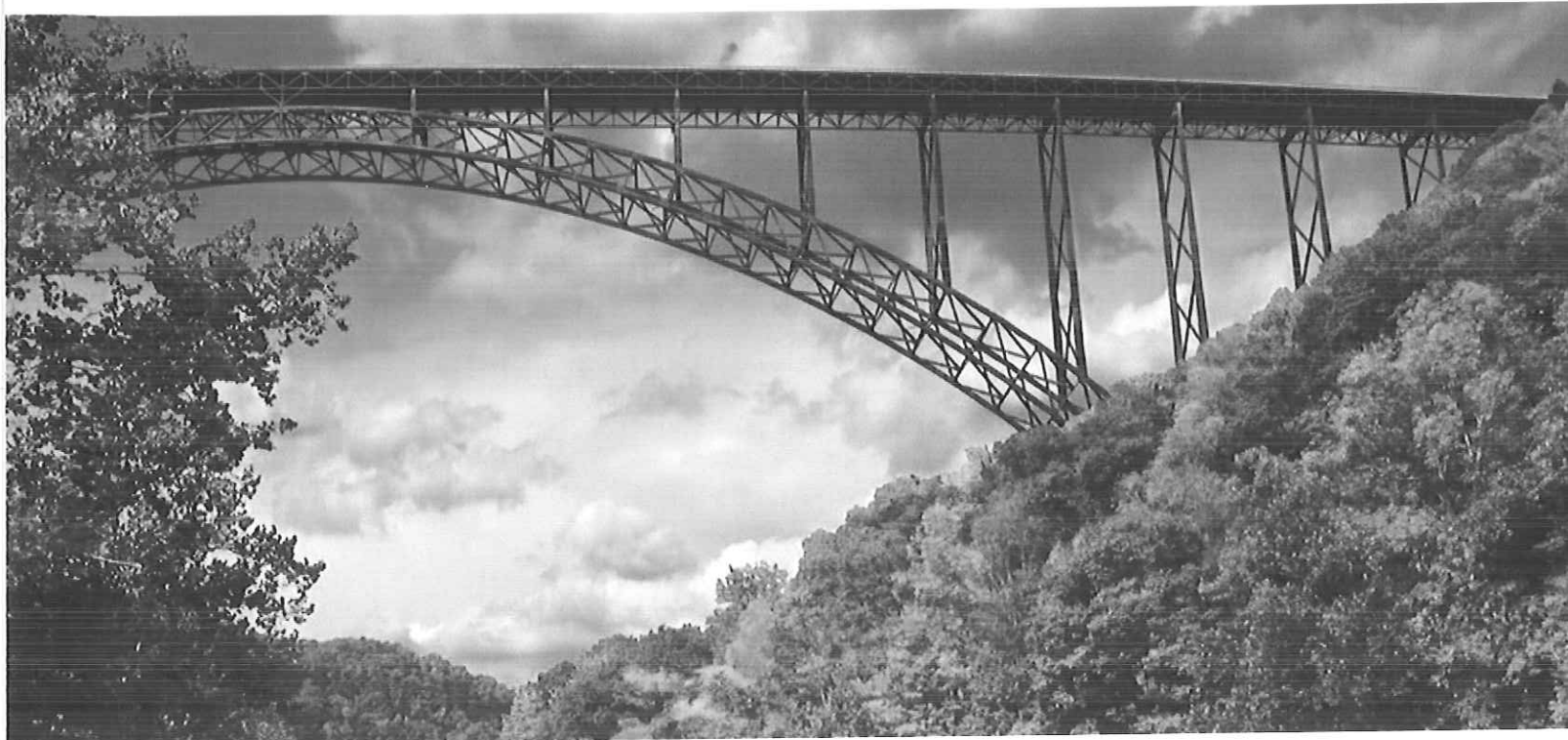


# Deloitte.

## New Line of Business Solution West Virginia Consolidated Public Retirement Board (WVCPRB)



ORIGINAL

COST PROPOSAL  
RFP CPR12026

Opening Date: December 11, 2012 | Opening Time: 1:30 PM



December 11, 2012

**Deloitte Consulting LLP**  
111 S. Wacker Drive  
Chicago, IL 60606-4301  
USA

Tel: +1 312 486 1000  
Fax: +1 312 486 1486  
[www.deloitte.com](http://www.deloitte.com)

Krista Ferrell  
Buyer Supervisor  
State of West Virginia  
Department of Administration  
Purchasing Division  
2019 Washington Street, East  
Charleston, WV 25305-0130

**RE: Cost Proposal in Response to the West Virginia Consolidated Public Retirement Board, New Line of Business Solution RFP No. CPR12026**


Dear Ms. Ferrell:

Deloitte Consulting LLP (Deloitte) is pleased to present to the West Virginia Consolidated Public Retirement Board (WVCPRB) our cost proposal in response to your Request for Proposal (RFP) for a New Line of Business (LOB) Solution. As the Deloitte DPAS solution does not include any ongoing license fees costs, we firmly believe our proposal provides WVCPRB with the lowest long-term cost of ownership and best value to the constituents of West Virginia.

This cost proposal remains valid for 180 days from the proposal receipt deadline. Should you require any additional information or clarifications, please contact me at +1 312 486 1519 or via e-mail at [pbauer@deloitte.com](mailto:pbauer@deloitte.com). We are excited to move forward—to achieve your goals together in modernizing your organization for the 21st century.

Sincerely,

Deloitte Consulting LLP

By: 

Patrick D. Bauer  
Principal

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\* As used in this document, "Deloitte" means Deloitte Consulting LLP, a subsidiary of Deloitte LLP. Please see [\\_www.deloitte.com/us/about](http://www.deloitte.com/us/about) for a detailed description of the legal structure of Deloitte LLP and its subsidiaries.

West Virginia Consolidated Public Retirement Board (WVCPRB)

Cost Proposal in Response to  
Req # **CPR12026**  
For New Line of Business Solution

Federal Tax ID Number: 06-1454513

Dun and Bradstreet No.: 00-256-3455

Opening Date: December 11, 2012  
Opening Time 1:30 PM

**Bidding Company Information**

111 S. Wacker Drive  
Chicago, IL 60606-4301  
USA  
Tel: +1 312 486 1000  
Fax: +1 312 486 1486  
www.deloitte.com

**Point of Contact Information**

Patrick Bauer  
Principal  
Phone: +1 312 486 1519  
Fax: +1 312 247 1519  
pbauer@deloitte.com

Signature



Patrick Bauer,

Date: December 11, 2012

# Cost Proposal

This section presents Deloitte's implementation costs for the functional and optional project elements. The cost schedules are presented in the following sections:

Cost Proposal	
<b>WVCPRB Bid Summary</b>	
<b>Schedule 1</b>	Hardware Costs for Functional Project Elements
<b>Schedule 2</b>	Commodity Software Costs for Functional Project Elements
<b>Schedule 3</b>	Services (Functional Project Elements)
<b>Schedule 3A</b>	Out Year Support
<b>Schedule 4</b>	Cost for Option 4: Data Cleansing
<b>Schedule 5</b>	Cost for Option 5: Vendor Delivery of Employer Training
<b>Schedule 6</b>	Cost for Option 6: Replacement of Existing Application Xtender Imaging System
<b>Schedule 7</b>	Cost Estimate by Project Phase
<b>Option 3</b>	Option to Purchase Source Code for LOB Application Software
<b>Option 7</b>	Deferred Retirement Option Plan (DROP) Processing
<b>Assumptions</b>	

## WVCPRB Bid Summary

RFP reference: 5.3.2.1 WVCPRB Bid Summary, page 79

### 5.3.2.1 WVCPRB Bid Summary

On this worksheet, fill in the vendor name. Amounts for Options 3 and 7 should be entered directly on the Bid Summary worksheet. All other entries are automatically populated based on the vendor entries in Schedules 1 through 6.

The Total – Functional amount (Cell G11 of the Bid Summary sheet) will be the amount used for the evaluation of the vendor's cost bid. Copies of the spreadsheet tables are included in this RFP as Attachments EXH 18 through EXH 22.

Deloitte has included a preliminary project staffing plan in Section III-13 - Preliminary Project Staffing Plan that provides a summary, by staff position of the number of hours for vendor support services. The blended hourly rate associated with our bid is included on Schedule 3.

The Deloitte Bid Summary cost schedule for our functional and optional elements is presented as follows:

**Vendor's Fixed Price Cost Proposal**

**Vendor: Deloitte Consulting LLP**

Project Element	Year 1	Year 2	Year 3	Warranty Period	Out Year Support Period	Totals
<b>Functional Project Elements</b>						
Hardware	\$678,797.53					\$678,797.53
Commodity Software	\$1,115,678.83					\$1,115,678.83
Services	\$1,296,560.30	\$10,579,990.66	\$9,109,839.07	\$3,019,890.97	\$203,632.00	\$24,209,913.00
LOB Application License Fee	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
LOB Application Source Code (WV specific)	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00
<b>TOTAL - Functional</b>	<b>\$3,091,036.66</b>	<b>\$10,579,990.66</b>	<b>\$9,109,839.07</b>	<b>\$3,019,890.97</b>	<b>\$203,632.00</b>	<b>\$26,004,389.36</b>
<b>Optional Project Elements (through implementation and warranty period)</b>						
Option 1 – Hardware Procurement						\$678,797.53
Option 2 – Commodity Software Procurement						\$1,115,678.83
Option 3 – LOB Application Source Code (Base)						\$0.00
Option 4 – Data Cleansing	\$181,540.00	\$0.00	\$0.00	\$0.00		\$181,540.00
Option 5 – Vendor Delivery of Employer Training	\$0.00	\$0.00	\$166,080.00	\$0.00		\$166,080.00
Option 6 – Replace Application Xtender Imaging	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00
Option 7 – Deferred Retirement Option Plan						\$349,424.00
<b>TOTAL – Options</b>	<b>\$181,540.00</b>	<b>\$0.00</b>	<b>\$166,080.00</b>	<b>\$0.00</b>		<b>\$697,044.00</b>
<b>GRAND TOTAL - FUNCTIONAL + OPTIONS</b>	<b>\$3,272,576.66</b>	<b>\$10,579,990.66</b>	<b>\$9,275,919.07</b>	<b>\$3,019,890.97</b>	<b>\$203,632.00</b>	<b>\$26,701,433.36</b>
<b>Incremental Costs</b>						
Script editing (Off-Shore)						\$61.00
Hourly rate for customization of scripts, APIs, software (2.5.7 Installation and Configuration) (Off-Shore)						\$61.00
Hourly rate for extending the programmer support beyond the initial 12-month warranty period (2.13.2.2 Post Implementation IT Support)						\$114.00
Hourly rate for extending the operations support beyond the initial 12-month warranty period (2.13.2.3 Post Implementation Operations Support)						\$125.00
Option 4: Fixed hourly rate for additional activities (3.2.14.4 Data Cleansing) (Business Analyst)						\$173.00
TBS						\$0.00
TBS						\$0.00
TBS						\$0.00
TBS						\$0.00
TBS						\$0.00

## Schedule 1 – Hardware Costs for Functional Project Elements

RFP reference: 5.3.2.2 Schedule 1 – Hardware Costs for Functional Project Elements, page 79

### 5.3.2.2 Schedule 1 – Hardware Costs for Functional Project Elements

For each item on the Hardware list provided with the Technical Proposal (see Attachment 1 List and Specifications of Required Hardware), enter all hardware components required to effect the functional requirements portion of the proposed solution. Distinguish components that already exist at WVCPRB versus upgrades required to existing equipment versus new components. Include servers, hubs, routers, workstations (desktop PCs), cables, connectors, labels, and equipment racks. For each required item, provide the manufacturer, model, a description, the quantity, and the unit cost. Cost extensions and totals are computed automatically.

The following table describes hardware that is required for the solution development, testing, and production as outlined in Tab II, Section 2.5.3 – Technical Architecture of our proposal. Solution components already in use by WVCPRB, (e.g., network components, domain services, data center, core printing services, etc.) that can be leveraged as part of the solution are not included. The cost numbers are provided for budgeting purposes as WVCPRB stated that it prefers to procure software and hardware items directly via a separate procurement to leverage the state's contract and purchasing capabilities. The pricing includes five years of maintenance as specified in Section 2.5.5.2 Servers for the HP Servers. The maintenance for the remaining hardware is priced separately and presented in the schedule for three years in additional columns added to the right of the schedule – providing maintenance from hardware implementation through one-year of warranty support as specified in the responses to questions 98 and 99.

We assume that if WVCPRB were to exercise the options related to Hardware or Commodity Software procurement by the vendor, there would be no associated holdback and the vendor would be able to invoice, upon delivery, for the full amount. In the event Deloitte is requested to provide any third party product, it shall do so via Deloitte Consulting Product Services, LLC, a dedicated reseller within the Deloitte organization. Additional terms will be required in connection with such resell and WVCPRB shall enter into all license and maintenance agreements directly with the third party vendors.

West Virginia Consolidated Public Retirement Board - Schedule 1 Hardware Costs for Functional Project Elements Vendor's Firm Fixed-Price Cost Proposal												
(The vendor should replicate this table as necessary to account for all components.)												
1	2	3	4	5	6	7	8	9	10	11	12	13
ITEM NO	QTY	MANUFACTURER	MODEL	DESCRIPTION	UNIT COST	TOTAL	Year 1 Maint	Year 2 Maint	Year 3 Maint	Year 4 Maint	Year 5 Maint	Total
1	4	Canon	DR-7550c	Imaging and workflow scanners. Includes 4 years of support.	\$4,918.21	\$19,673	\$5,380	\$5,649	\$5,931	n/a	n/a	\$36,633
2	4	Cisco	3750-48T-S	Production and Test environment Network Switches (48 Gigabit Ports). . Includes 4 years of support.	\$7,378.03	\$29,512	\$3,820	\$4,011	\$4,212	n/a	n/a	\$41,555
3	1	EMC	VNX5300	Production Storage Area Network (10 TB FC, 8TB SATA and RecoverPoint Appliances/Software with Rack) Includes 4 years of support.	\$206,019.45	\$206,019	INCL	INCL	INCL	n/a	n/a	\$206,019
4	1	EMC	VNX5300	Test/Training/Dev/DR Storage Area Network (15 TB FC and 8TB SATA with Rack) Includes 4 years of support.	\$150,512.25	\$150,512	INCL	INCL	INCL	n/a	n/a	\$150,512
5	1	EMC	N/A	Production 2.6 TB SATA storage for storing one year of recorded Telephone calls in WAV file format. Includes 4 years of support. Includes 4 years of support.	\$3,660.32	\$3,660	INCL	INCL	INCL	n/a	n/a	\$3,660
6	2	HP	HP BladeSystem Blc7000	HP BladeSystem Blc7000 Enclosure, HP VC Fix Fbrc, 10Gb Ethernet, Dual Power Supplies. . Includes 5 years of support.	\$46,270.07	\$92,540	INCL	INCL	INCL	INCL	INCL	\$92,540
8	6	HP	HP ProLiant BL460c	Blade Servers - HP ProLiant BL460c Gen8 Blade Server, No OS, Dual Intel® Xeon® E5-2650 (8 core, 2.00 GHz, 20MB, 95W), 96GB 1333MHz dual-ranked RAM, NO HDD. . Includes 5 years of support.	\$7,280.35	\$43,682	INCL	INCL	INCL	INCL	INCL	\$43,682
9	6	HP	HP ProLiant BL460c	Blade Servers - HP ProLiant BL460c Gen8 Blade Server, No OS, Dual Intel® Xeon® E5-2650 (8 core, 2.00 GHz, 20MB, 95W), 96GB 1333MHz dual-ranked RAM, NO HDD. . Includes 5 years of support.	\$7,280.35	\$43,682	INCL	INCL	INCL	INCL	INCL	\$43,682
10	9	HP	HP ProLiant BL460c	6 Core Dual Intel® Xeon® E5-2640 (6 core, 2.50 GHz, 15MB, 95W), 64GB RAM, 1333MHz dual-ranked RAM, NO HDD. . Includes 5 years of support.	\$5,684.91	\$51,164	INCL	INCL	INCL	INCL	INCL	\$51,164
11	17	HP	6000 Pro	Training and Scanner Workstations Core2 E8500, 4GB Memory, 250GB HD, 19" monitor. Includes 4 years of support.	\$1,400.00	\$23,800	INCL	INCL	INCL	INCL	INCL	\$23,800
12	1	OpenText	Fax Gateway 2100	Fax Gateway2100, Module Fax Gateway, 1 T1/E1/J1 SIP/T.38. . Includes 4 years of support.	\$4,347.00	\$4,347	\$574	\$602	\$632	n/a	n/a	\$6,155



West Virginia Consolidated Public Retirement Board - Schedule 1 Hardware Costs for Functional Project Elements Vendor's Firm Fixed-Price Cost Proposal												
(The vendor should replicate this table as necessary to account for all components.)												
1	2	3	4	5	6	7	8	9	10	11	12	13
ITEM NO	QTY	MANUFACTURER	MODEL	DESCRIPTION	UNIT COST	TOTAL	Year 1 Maint	Year 2 Maint	Year 3 Maint	Year 4 Maint	Year 5 Maint	Total
13	1	OpenText	Fax Gateway Install	RightFax Complete System Installation via Remote Access. Includes up to 2 days.	\$3,024.00	\$3,024	INCL	INCL	INCL	n/a	n/a	\$3,024
14	2	HP	42U rack with PDU.	HP 642 Intelligent Rack with accessories and dual 40 amp PDUs.	\$3,590.51	\$7,181	INCL	INCL	INCL	n/a	n/a	\$7,181
						\$0						
						\$0						
						\$0						
						\$0						
						\$0						
						\$0						
						\$0						
<b>Total</b>						<b>\$678,798</b>	<b>\$9,774</b>	<b>\$10,262</b>	<b>\$10,775</b>	<b>\$0</b>	<b>\$0</b>	<b>\$709,609</b>
#	DESCRIPTION											
1	Sequential item number											
2	Quantity - how many are required											
3	Who the manufacturer is											
4	Specific model number											
5	Item description											
6	Cost of 1 unit (including all ancillary charges for freight, insurance while in transit, etc.)											
8	Year 1 Maintenance											
9	Year 2 Maintenance											
10	Year 3 Maintenance											
11	Year 4 Maintenance											
12	Year 5 Maintenance											
13	Total Estimated HW Costs Including Maintenance for All Components											

## Schedule 2 – Commodity Software Costs for Functional Project Elements

RFP reference: 5.3.2.3 Schedule 2 – Commodity Software Costs for Functional Project Elements, page 80

### 5.3.2.3 Schedule 2 – Commodity Software Costs for Functional Project Elements

For each item on the Commodity Software list provided with the Technical Proposal (see Attachment 2 List of Required Commodity Software), enter all commodity software products required to effect the functional requirements portion of the proposed solution.

Distinguish software that already exists at WVCPRB versus upgrades required to existing software versus new software products. Include all required products such as operating systems, network software, database management software, software tools, and office suite software. For each required item, provide the manufacturer, model, a description, the number of copies required, and the unit cost. Cost extensions and totals are computed automatically.

The following table describes commodity software that is required for the solution development, testing, and production as outlined in Tab II, Section 2.5.3 – Technical Architecture of our proposal. Solution components already in use by WVCPRB, (e.g., domain services, Microsoft Office, SharePoint, etc.) that can be leveraged as part of the solution are not included. The cost numbers are provided for budgeting purposes as WVCPRB stated that it prefers to procure software and hardware items directly via a separate procurement to leverage the state's contract and purchasing capabilities. The software pricing is presented without warranty in the schedule with the estimated costs for three years of maintenance provided in additional columns added to the right of the schedule – providing maintenance from software implementation through one-year of warranty support as specified in the responses to questions 98 and 99.

We assume that if WVCPRB were to exercise the options related to Hardware or Commodity Software procurement by the vendor, there would be no associated holdback and the vendor would be able to invoice, upon delivery, for the full amount. In the event Deloitte is requested to provide any third party product, it shall do so via Deloitte Consulting Product Services, LLC, a dedicated reseller within the Deloitte organization. Additional terms will be required in connection with such resell and WVCPRB shall enter into all license and maintenance agreements directly with the third party vendors.

**West Virginia Consolidated Public Retirement Board - Schedule 2  
 Commodity Software Costs for Functional Project Elements  
 Vendor's Firm Fixed-Price Cost Proposal**

(The vendor should replicate this table as necessary to account for all components.)

1	2	3	4	5	6	7	8	9	10	11
ITEM NO	# OF COPIES	MANUFACTURER	MODEL	DESCRIPTION	UNIT COST	TOTAL	Year 1 Maint	Year 2 Maint	Year 3 Maint	Total
1	2	Adobe	Adobe Captivate 6	eLearning Development Software	\$980	\$1,961	INCL	INCL	\$1,012	\$2,973
2	1	Adobe	Adobe RoboHelp 10	Help Authoring	\$925	\$925	\$279	INCL	\$294	\$1,498
3	3	Balsamiq	Mockups for Desktop	Screen Mockup Tool	\$71	\$213	INCL	INCL	INCL	\$213
4	1	Embarcadero	Embarcadero ER/Studio Data Architect	Database Modeling	\$1,429	\$1,429	\$340	\$357	\$375	\$2,501
5	24	EMC	EMC VMware vSphere Enterprise Plus	vSphere Host Server Software	\$3,003	\$72,081	\$20,314	\$21,330	\$22,396	\$136,121
6	2	EMC	EMC VMware vCenter Site Recovery Manager	vSphere Disaster Recovery Software	\$4,212	\$8,423	\$2,370	\$2,488	\$2,613	\$15,894
7	1	EMC	EMC VMware vCenter Server Standard	vSphere Management Server Software	\$4,293	\$4,293	\$1,207	\$1,268	\$1,331	\$8,099
8	1	EMC	EMC APPLICATIONXTENDER REPORTS MGMT AFP	Imaging and Workflow Components	\$23,625	\$23,625	\$5,434	\$5,434	\$5,434	\$39,926
9	1	EMC	EMC VERITY K2 CLIENT - 25 CC USERS	Imaging and Workflow Components	\$5,611	\$5,611	\$1,291	\$1,291	\$1,291	\$9,483
10	2	EMC	EMC VERITY K2 SERVER	Imaging and Workflow Components	\$3,150	\$6,300	\$1,449	\$1,449	\$1,449	\$10,647
11	1	EMC	EMC APPXTENDER SERVER - 25 CC USER PACK	Imaging and Workflow Components	\$29,531	\$29,531	\$6,792	\$6,792	\$6,792	\$49,908
12	2	EMC	EMC APPXTENDER CONNECTOR - 25 CC USERS	Imaging and Workflow Components	\$9,844	\$19,688	\$4,528	\$4,528	\$4,528	\$33,272
13	2	EMC	EMC APPXTENDER OCR SERVER	Imaging and Workflow Components	\$1,575	\$3,150	\$725	\$725	\$725	\$5,324
14	1	EMC	EMC REPORTS MANAGEMENT PACKAGE	Imaging and Workflow Components	\$7,875	\$7,875	\$1,811	\$1,811	\$1,811	\$13,309
15	2	EMC	EMC APPXTENDER WORKFLOW MGR - 25 CC USER PK	Imaging and Workflow Components	\$21,656	\$43,313	\$9,962	\$9,962	\$9,962	\$73,198
16	1	EMC	EMC APPXTENDER WORKFLOW MANAGER - FORMS	Imaging and Workflow Components	\$1,969	\$1,969	\$453	\$453	\$453	\$3,327
17	1	EMC	EMC APPXTENDER WORKFLOW MANAGER SERVER	Imaging and Workflow Components	\$1,969	\$1,969	\$453	\$453	\$453	\$3,327
18	1	EMC	EMC APPLICATIONXTENDER REPORTS MGMT AFP	Imaging and Workflow Components	\$15,750	\$15,750	\$3,623	\$3,623	\$3,623	\$26,618
19	1	EMC	EMC VERITY K2 CLIENT - 25 CC USERS	Imaging and Workflow Components	\$3,741	\$3,741	\$860	\$860	\$860	\$6,323
20	2	EMC	EMC VERITY K2 SERVER	Imaging and Workflow Components	\$2,100	\$4,200	\$966	\$966	\$966	\$7,098
21	1	EMC	EMC APPXTENDER SERVER - 25 CC USER PACK	Imaging and Workflow Components	\$19,688	\$19,688	\$4,528	\$4,528	\$4,528	\$33,272
22	2	EMC	EMC APPXTENDER CONNECTOR - 25 CC USERS	Imaging and Workflow Components	\$6,563	\$13,125	\$3,019	\$3,019	\$3,019	\$22,181
23	2	EMC	EMC APPXTENDER OCR SERVER	Imaging and Workflow Components	\$1,050	\$2,100	\$483	\$483	\$483	\$3,549
24	1	EMC	EMC REPORTS MANAGEMENT PACKAGE	Imaging and Workflow Components	\$5,250	\$5,250	\$1,208	\$1,208	\$1,208	\$8,873

West Virginia Consolidated Public Retirement Board - Schedule 2  
 Commodity Software Costs for Functional Project Elements  
 Vendor's Firm Fixed-Price Cost Proposal

(The vendor should replicate this table as necessary to account for all components.)

1	2	3	4	5	6	7	8	9	10	11
ITEM NO	# OF COPIES	MANUFACTURER	MODEL	DESCRIPTION	UNIT COST	TOTAL	Year 1 Maint	Year 2 Maint	Year 3 Maint	Total
25	2	EMC	EMC APPXTENDER WORKFLOW MGR - 25 CC USER PK	Imaging and Workflow Components	\$14,438	\$28,875	\$6,641	\$6,641	\$6,641	\$48,799
26	1	EMC	EMC APPXTENDER WORKFLOW MANAGER - FORMS	Imaging and Workflow Components	\$1,313	\$1,313	\$302	\$302	\$302	\$2,218
27	1	EMC	EMC APPXTENDER WORKFLOW MANAGER SERVER	Imaging and Workflow Components	\$1,313	\$1,313	\$302	\$302	\$302	\$2,218
28	1	EMC	CAPTIVA SCANPLUS MODULE (STANDARD)	Capturing Software Components	\$3,938	\$3,938	\$906	\$906	\$906	\$6,654
29	3	EMC	CAPTIVA ATTENDED CLIENT	Capturing Software Components	\$2,756	\$8,269	\$1,902	\$1,902	\$1,902	\$13,974
30	1	EMC	CAPTIVA ENTERPRISE SVR + ADV RECOG 1MPPY BUNDLE	Capturing Software Components	\$60,638	\$60,638	\$13,947	\$13,947	\$13,947	\$102,477
31	5	EMC	CAPTIVA SERVER VOL + ADV RECOG +100K PPY PERPETUAL	Capturing Software Components	\$3,812	\$19,058	\$4,383	\$4,383	\$4,383	\$32,207
32	1	InRule	InRules irServer, iAuthor, iSDK	Rules Engine Runtime Server and Business Rule Authoring	\$370,500	\$370,500	\$66,150	\$69,458	\$72,930	\$579,038
33	2	Funasset	Funasset SilentPrint Pro	Printing Software	\$1,785	\$3,570	\$805	\$805	\$845	\$6,024
34	1	Melissa Data	Melissa Data Web Smart Web Service	Address Validation	\$14,175	\$14,175	\$0	\$0	\$15,593	\$29,768
35	1	Microsoft	Microsoft Sharepoint 2010 Internet Sites	Collaboration and Forms Software	\$9,529	\$9,529	INCL	\$1,906	\$1,963	\$13,397
36	1	Microsoft	Microsoft Sharepoint 2010 Server Enterprise	Collaboration and Forms Software	\$3,981	\$3,981	INCL	\$796	\$820	\$5,597
37	85	Microsoft	Microsoft SharePoint Cals	Collaboration and Forms Software	\$77	\$6,510	INCL	\$1,302	\$1,341	\$9,153
38	12	Microsoft	Microsoft SQL 2012 Enterprise Edition	Database Software	\$11,108	\$133,298	INCL	\$26,856	\$27,662	\$187,816
39	12	Microsoft	Microsoft SQL 2012 Standard Edition	Database Software	\$2,897	\$34,765	INCL	\$7,008	\$7,218	\$48,990
40	35	Microsoft	Microsoft System Center 2012 Standard Edition	System and Application Monitoring	\$713	\$24,960	INCL	\$4,992	\$5,142	\$35,094
41	4	Microsoft	Microsoft Windows 2012 Standard	Operating System	\$713	\$2,853	INCL	\$577	\$595	\$4,025
42	12	Microsoft	Microsoft Windows 2012 Datacenter	Operating System	\$3,886	\$46,633	INCL	\$9,397	\$9,678	\$65,708
43	20	Microsoft	Microsoft Windows Remote Desktop CAL	Remote Desktop Calls	\$68	\$1,367	INCL	\$282	\$290	\$1,939
44	1	Microsoft	Microsoft Visual Studio Ultimate	Development Tools	\$8,225	\$8,225	INCL	\$1,645	\$1,694	\$11,565
45	3	Microsoft	Microsoft Visual Studio Professional	Development Tools	\$1,367	\$4,101	INCL	\$820	\$845	\$5,766
46	1	Microsoft	Microsoft Team Foundation Server	Version Control, Defects Tracking	\$314	\$314	INCL	\$63	\$65	\$442
47	20	Microsoft	Microsoft Team Foundation Server CAL	Version Control, Defects Tracking	\$314	\$6,275	INCL	\$1,261	\$1,299	\$8,834
48	1	Open Text	OpenText RightFax Enterprise Server	Fax System	\$3,993	\$3,993	\$878	\$922	\$969	\$6,762
49	1	Open Text	OpenText RightFax Professional Services Web Services	Fax System	\$2,935	\$2,935	\$646	\$678	\$712	\$4,970
50	1	Open Text	OpenText FoIP Enable an Existing RightFax Document Delivery Channel	Fax System	\$520	\$520	\$114	\$120	\$126	\$880



## Schedule 3 – Services (Functional Project Elements)

RFP reference: 5.3.2.4 Schedule 3 – Services (Functional Project Elements), page 80

### 5.3.2.4 Schedule 3 – Services (Functional Project Elements)

This schedule consists primarily of service related costs to implement the functional requirements portion of the proposed solution. For each area of service section (e.g., Requirements Analysis, Software Modifications Development), list the applicable staff positions, number of hours, and hourly rates. Hourly rates should be fully loaded to capture all direct and overhead expenses, travel, per diem, and any other travel-related expenses. WVCPRB anticipates the project can be completed within three years of contract execution. (If the vendor believes that a longer schedule is indicated, the vendor should expand this and the other cost schedules appropriately.)

For most service categories, therefore, the hours should be entered only for years 1 through 3, and no entries should be made in the columns designated "12 Mo Warranty Period." The only exception is the LOB Application Software Warranty section, for which the only entries should be in the "12 Mo Warranty Period" columns.

When filling in the Training section of the spreadsheet, be sure to include the cost for WVCPRB staff travel if any training would be conducted at a location outside the Charleston, WV area (see Appendix D Section 2.10.2.1). As indicated, vendors should also enter on this schedule the cost of the LOB License Fee (if any) and of the LOB Application source code as discussed in Appendix D Section 2.5.6.3.

At the bottom of the schedule, enter the following incremental costs where indicated:

1. Customization (if necessary) of scripts, etc. (Appendix D Section 2.5.7)

The Deloitte Firm Fixed Price Cost Proposal for Functional Project Elements is presented, by project calendar year, as follows:



**West Virginia Consolidated Public Retirement Board - Schedule 3**  
**Vendor's Firm Fixed Price Cost Proposal for Functional Project Elements**  
**Service Related and Miscellaneous Costs and Fees**

NOTE: All hourly rates quoted must be fully "loaded" to capture all direct and overhead expenses, travel, per diem, and any other travel-related expenses.

Cost Element	Year 1			Year 2			Year 3			Warranty / Post Warranty Period			Total Hours	Total Cost
	\$/hr	Hours	Total	\$/hr	Hours	Total	\$/hr	Hours	Total	\$/hr	Hours	Total		
<b>Requirements Analysis</b>														
Manager	\$ 24.45	656.00	\$8,164,173	\$ 24.45	2,144.00	\$266,829.07	\$ 24.45	2,192.00	\$272,802.86				4992.00	\$621,273.66
Business Analyst	\$ 24.45	586.00	\$72,929.96	\$ 24.45	6,150.00	\$765,391.23	\$ 24.45	5,995.00	\$746,100.88				12,731.00	\$1,584,422.07
Programmer	\$ 24.45	530.00	\$65,960.55	\$ 24.45	5,946.00	\$740,002.64	\$ 24.45	3,760.00	\$467,946.51				10,236.00	\$1,273,909.70
Other	\$ 24.45	29.00	\$3,609.16	\$ 24.45	252.00	\$3,1362.37	\$ 24.45	606.00	\$75,419.04				887.00	\$10,390.57
<b>Subtotal</b>		1801.00	\$224,141.40		14,492.00	\$1,803,585.32		12,553.00	\$1,562,269.29				28,846.00	\$3,589,996.00
<b>Software Modifications Development</b>														
Manager	\$ 24.45	187.00	\$23,272.87	\$ 24.45	613.00	\$76,290.22	\$ 24.45	626.00	\$77,908.12				1,426.00	\$177,471.20
Business Analyst	\$ 24.45	486.00	\$60,484.58	\$ 24.45	5,227.00	\$650,520.32	\$ 24.45	5,096.00	\$634,216.86				10,809.00	\$1,345,221.76
Programmer	\$ 24.45	813.00	\$10,180.99	\$ 24.45	9,117.00	\$1,134,645.83	\$ 24.45	5,766.00	\$777,600.95				15,696.00	\$1,953,427.76
Other	\$ 24.45	26.00	\$3,235.80	\$ 24.45	229.00	\$28,499.93	\$ 24.45	551.00	\$68,574.08				806.00	\$100,309.81
<b>Subtotal</b>		1,512.00	\$188,174.23		15,866.00	\$1,889,956.30		12,039.00	\$1,498,300.00				28,737.00	\$3,576,430.53
<b>Hardware and Commodity Software Installation and Configuration</b>														
Manager	\$ 24.45	112.00	\$13,938.83	\$ 24.45	368.00	\$45,799.02	\$ 24.45	376.00	\$46,794.65				856.00	\$106,532.50
Business Analyst	\$ 24.45	96.00	\$10,703.03	\$ 24.45	922.00	\$114,748.46	\$ 24.45	899.00	\$111,884.02				1,907.00	\$237,333.51
Programmer	\$ 24.45	710.00	\$8,836.22	\$ 24.45	793.00	\$98,691.91	\$ 24.45	501.00	\$62,351.38				1,365.00	\$169,879.52
Other	\$ 24.45	13.00	\$1,617.90	\$ 24.45	114.00	\$14,187.74	\$ 24.45	275.00	\$34,224.81				402.00	\$50,030.45
<b>Subtotal</b>		282.00	\$35,095.99		2,197.00	\$273,425.73		2,051.00	\$255,254.86				4,530.00	\$563,775.98
<b>Integration</b>														
Manager	\$ 24.45	0.00	\$0.00	\$ 24.45	0.00	\$0.00	\$ 24.45	0.00	\$0.00				0.00	\$0.00
Business Analyst	\$ 24.45	343.00	\$42,687.67	\$ 24.45	3,690.00	\$459,234.74	\$ 24.45	3,597.00	\$447,660.53				7,630.00	\$949,582.94
Programmer	\$ 24.45	1,768.00	\$220,034.42	\$ 24.45	18,190.00	\$2,466,551.02	\$ 24.45	12,535.00	\$1,560,029.12				34,222.00	\$4,246,614.56
Other	\$ 24.45	5.00	\$622.27	\$ 24.45	46.00	\$5,724.88	\$ 24.45	110.00	\$13,689.92				161.00	\$20,037.07
<b>Subtotal</b>		2,116.00	\$263,344.36		23,555.00	\$2,931,510.64		16,242.00	\$2,021,379.57				41,913.00	\$5,216,234.57
<b>Conversion and Bridging</b>														
Manager	\$ 24.45	94.00	\$11,698.66	\$ 24.45	306.00	\$38,082.88	\$ 24.45	313.00	\$38,954.06				713.00	\$88,735.60
Business Analyst	\$ 24.45	343.00	\$42,687.67	\$ 24.45	3,690.00	\$459,234.74	\$ 24.45	3,597.00	\$447,660.53				7,630.00	\$949,582.94
Programmer	\$ 24.45	0.00	\$0.00	\$ 24.45	0.00	\$0.00	\$ 24.45	0.00	\$0.00				0.00	\$0.00
Other	\$ 24.45	26.00	\$3,235.80	\$ 24.45	229.00	\$28,499.93	\$ 24.45	551.00	\$68,574.08				806.00	\$100,309.81
<b>Subtotal</b>		463.00	\$57,622.14		4,225.00	\$525,817.55		446.00	\$555,188.66				9,149.00	\$1,138,628.35
<b>Training</b>														
Manager	\$ 24.45	187.00	\$23,272.87	\$ 24.45	613.00	\$76,290.22	\$ 24.45	626.00	\$77,908.12				1,426.00	\$177,471.20
Business Analyst	\$ 24.45	229.00	\$28,499.93	\$ 24.45	2,460.00	\$306,156.49	\$ 24.45	2,398.00	\$298,440.35				5,087.00	\$633,096.78
Programmer	\$ 24.45	0.00	\$0.00	\$ 24.45	0.00	\$0.00	\$ 24.45	0.00	\$0.00				0.00	\$0.00
Other	\$ 24.45	13.00	\$1,617.90	\$ 24.45	114.00	\$14,187.74	\$ 24.45	275.00	\$34,224.81				402.00	\$50,030.45
WVCPRB Travel			\$0.00			\$10,000.00			\$15,000.00					\$25,000.00
<b>Subtotal</b>		429.00	\$53,390.71		3,187.00	\$406,634.45		3,299.00	\$425,573.28				\$6,915.00	\$885,598.43
<b>Testing</b>														
Manager	\$ 24.45	337.00	\$41,940.95	\$ 24.45	1,103.00	\$137,272.61	\$ 24.45	1,129.00	\$140,383.95				2,569.00	\$319,597.51
Business Analyst	\$ 24.45	515.00	\$64,093.74	\$ 24.45	5,535.00	\$688,852.11	\$ 24.45	5,396.00	\$671,553.02				11,446.00	\$1,424,498.86
Programmer	\$ 24.45	354.00	\$44,056.67	\$ 24.45	3,964.00	\$493,335.10	\$ 24.45	2,507.00	\$312,005.82				6,825.00	\$849,397.58
Other	\$ 24.45	117.00	\$14,561.10	\$ 24.45	1,030.00	\$128,187.47	\$ 24.45	2,477.00	\$308,272.21				3,624.00	\$451,020.78
<b>Subtotal</b>		1,323.00	\$164,652.45		11,632.00	\$1,447,647.28		11,508.00	\$1,432,215.00				24,463.00	\$3,044,514.74

West Virginia Consolidated Public Retirement Board - Schedule 3												
Vendor's Firm Fixed Price Cost Proposal for Functional Project Elements												
Service Related and Miscellaneous Costs and Fees												
NOTE: All hourly rates quoted must be fully "loaded" to capture all direct and overhead expenses, travel, per diem, and any other travel-related expenses.												
<b>Document Preparation</b>												
Manager	\$ 24.45	300.00	\$37,336.15	\$ 24.45	980.00	\$ 21,064.78	\$ 24.45	1002.00	\$ 24,702.77		2282.00	\$284,003.71
Business Analyst	\$ 24.45	286.00	\$35,593.80	\$ 24.45	3075.00	\$382,695.61	\$ 24.45	2998.00	\$373,12.67		6359.00	\$791,402.09
Programmer	\$ 24.45	0.00	\$0.00	\$ 24.45	0.00	\$0.00	\$ 24.45	0.00	\$0.00		0.00	\$0.00
Other	\$ 24.45	3100	\$3,858.07	\$ 24.45	275.00	\$34,224.81	\$ 24.45	661.00	\$82,264.00		967.00	\$20,346.88
<b>Subtotal</b>		617.00	\$76,786.03		4330.00	\$538,885.21		4661.00	\$580,079.43		9608.00	\$1,95,752.67
<b>Project Management</b>												
Manager	\$ 24.45	1875.00	\$233,350.08	\$ 24.45	6227.00	\$762,528.79	\$ 24.45	6264.00	\$779,578.97		4266.00	\$1,775,458.75
Business Analyst	\$ 24.45	0.00	\$0.00	\$ 24.45	0.00	\$0.00	\$ 24.45	0.00	\$0.00		0.00	\$0.00
Programmer	\$ 24.45	0.00	\$0.00	\$ 24.45	0.00	\$0.00	\$ 24.45	0.00	\$0.00		0.00	\$0.00
Other	\$ 24.45	0.00	\$0.00	\$ 24.45	0.00	\$0.00	\$ 24.45	0.00	\$0.00		0.00	\$0.00
<b>Subtotal</b>		1875.00	\$233,350.08		6227.00	\$762,528.79		6264.00	\$779,578.97		4266.00	\$1,775,458.75
<b>LOB Application Software Warranty for 12 Months after Final Acceptance (Maintenance and Support)</b>												
Manager							\$ 24.45	672.00	\$83,632.99		672.00	\$83,632.99
Business Analyst							\$ 24.45	6562.00	\$816,666.22		6562.00	\$816,666.22
Programmer							\$ 24.45	13854.00	\$1,724,183.76		13854.00	\$1,724,183.76
Other							\$ 24.45	0.00	\$0.00		0.00	\$0.00
<b>Subtotal</b>								21088.00	\$2,624,482.97		21088.00	\$2,624,482.97
<b>One Year of Post Warranty IT Support</b>												
Manager							\$0.00	0.00	\$0.00		0.00	\$0.00
Business Analyst							\$0.00	0.00	\$0.00		0.00	\$0.00
Programmer							\$95.05	2080.00	\$197,704.00		2080.00	\$197,704.00
Other							\$0.00	0.00	\$0.00		0.00	\$0.00
<b>Subtotal</b>								2080.00	\$197,704.00		2080.00	\$197,704.00
<b>One Year of Post Warranty Operations Support</b>												
Manager							\$0.00	0.00	\$0.00		0.00	\$0.00
Business Analyst							\$95.05	2080.00	\$197,704.00		2080.00	\$197,704.00
Programmer							\$0.00	0.00	\$0.00		0.00	\$0.00
Other							\$0.00	0.00	\$0.00		0.00	\$0.00
<b>Subtotal</b>								2080.00	\$197,704.00		2080.00	\$197,704.00
<b>Other Support Services</b>												
Manager	\$ 24.45	0.00	\$0.00	\$ 24.45	0.00	\$0.00	\$ 24.45	0.00	\$0.00		0.00	\$0.00
Business Analyst	\$ 24.45	0.00	\$0.00	\$ 24.45	0.00	\$0.00	\$ 24.45	0.00	\$0.00		0.00	\$0.00
Programmer	\$ 24.45	0.00	\$0.00	\$ 24.45	0.00	\$0.00	\$ 24.45	0.00	\$0.00		0.00	\$0.00
Other	\$ 24.45	0.00	\$0.00	\$ 24.45	0.00	\$0.00	\$ 24.45	0.00	\$0.00		0.00	\$0.00
<b>Subtotal</b>		0.00	\$0.00		0.00	\$0.00		0.00	\$0.00		0.00	\$0.00
<b>Services Total</b>		10418.00	\$1296,560.30		84931.00	\$10,579,990.66		73078.00	\$9,109,839.07		25248.00	\$3,019,890.97
<b>Other Costs</b>												
LOB Application License Fee			\$0.00			\$0.00			\$0.00			\$0.00
Source Code			\$0.00			\$0.00			\$0.00			\$0.00
<b>GRAND TOTAL</b>			\$1,296,560.30			\$10,579,990.66			\$9,109,839.07			\$3,019,890.97



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Script editing (Off-Shore)	\$61.00
Hourly rate for customization of scripts, APIs, software (2.5.7 Installation and Configuration) (Off-Shore)	\$61.00
Hourly rate for extending the programmer support beyond the initial 12-month warranty period (2.13.2.2 Post Implementation IT Support)	\$114.00
Hourly rate for extending the operations support beyond the initial 12-month warranty period (2.13.2.3 Post Implementation Operations Support)	\$125.00
Option 4: Fixed hourly rate for additional activities (3.2.14.4 Data Cleansing) (Business Analyst)	\$173.00
TBS	\$0.00
TBS	\$0.00
TBS	\$0.00
TBS	\$0.00
TBS	\$0.00

## Schedule 3A – Out Year Support

RFP reference: 5.3.2.5 Schedule 3A – Out Year Support, page 80

### 5.3.2.5 Schedule 3A – Out Year Support

This schedule will identify the cost for post warranty support services and the LOB Application License Fee on a yearly basis for ten years beyond the initial twelve month post warranty period.

The staff positions (Cost Elements) on Schedule 3A will be automatically populated from those shown on Schedule 3 as One Year of Post Warranty IT and One Year of Post Warranty Operations Support. For cost comparison purposes, as a default, the hourly rates associated with those positions on Schedule 3A will be automatically populated with a 3% increase each year for years two through ten.

The amounts shown for the LOB Application License Fee on Schedule 3A will be generated from the amount the vendor provides on Schedule 3 for the Warranty/Post Warranty Period (cell M88). For cost comparison purposes, as a default, the Schedule 3A amounts for years two through ten will include a 3% annual increase.

Out Year Support is discussed in Appendix D Section 2.13.2.4.

Deloitte has interpreted the Out Year support requirement to include the following:

1. **On-Site Support** –The vast majority of our prior DPAS clients only needed a minor amount of support from Deloitte after warranty, usually 1,000 hours, so based on that experience we have included 2,080 hours of onsite programming support in our cost schedule for the second year after implementation. If WVCPRB needs more support than the 2,080 hours proposed or wishes to extend the support, we can provide it at the rates specified in this proposal.
2. **License Fees** – Unlike our competitors, the DPAS software does not have any on-going maintenance fees and therefore we did not include any costs. WVCPRB will have a license to the source code and the ability to maintain the source code. Like our competitors, there is maintenance costs associated with 3rd party solution components, such as Microsoft SQL-Server which are described in Schedule 2. We did not include any costs for maintenance for 3rd party products in the out-years.

The Deloitte implementation approach is designed to prepare and transition full operations and maintenance of DPAS to WVCPRB, like we have for many of our other DPAS clients. Our implementation approach includes knowledge transfer activities, in addition to WVCPRB project involvement, to facilitate the transition and prepare WVCPRB for these responsibilities. This approach eliminates the need for these extended Post-Implementation support costs. Additionally, if the intent of WVCPRB with regard to the out-year support is based in the premise of additional support being required to authorize WVCPRB to enhance a product then these costs would not apply as DPAS provides WVCPRB with the flexibility to maintain the solution with or without Deloitte support. Be assured, if there are circumstances requiring Deloitte to provide additional support at the end of the Warranty and Post-Implementation Support periods, Deloitte offers several options to meet WVCPRB needs at additional costs.

The Deloitte cost for Schedule 3A – Out Year Support is presented as follows:

**West Virginia Consolidated Public Retirement Board - Schedule 3A**  
**Vendor's Firm Fixed Price Cost Proposal for Out Year Support**  
**Service Related and Miscellaneous Costs and Fees**

NOTE: All hourly rates quoted must be fully "loaded" to capture all direct and overhead expenses, travel, per diem, and any other travel-related expenses.

Cost Element	Year 1			Year 2			Year 3			Year 4			Year 5			Years 1 - 5 Totals	
	\$/hr	Hours	Total	\$/hr	Hours	Total	\$/hr	Hours	Total	\$/hr	Hours	Total	\$/hr	Hours	Total	Hours	Cost
<b>Post Warranty IT Support</b>																	
Manager	\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	-	\$0.00
Business Analyst	\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	-	\$0.00
Programmer	\$95.05		\$95.05	\$97.90	2,080.00	\$203,632.00	\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	2,080.00	\$203,632.00
Other	\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	-	\$0.00
<b>Subtotals</b>					2,080.00	\$203,632.00		-	\$0.00		-	\$0.00		-	\$0.00	2,080.00	\$203,632.00
<b>Post Warranty Operations Support</b>																	
Manager	\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	-	\$0.00
Business Analyst	\$95.05		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	-	\$0.00
Programmer	\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	-	\$0.00
Other	\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	\$0.00		\$0.00	-	\$0.00
<b>Subtotals</b>					-	\$0.00		-	\$0.00		-	\$0.00		-	\$0.00	-	\$0.00
<b>Services - Yearly Totals</b>						\$203,632.00			\$0.00			\$0.00			\$0.00	2,080.00	\$203,632.00
<b>Other Costs</b>																	
LOB Application License Fee		\$0.00			\$0.00			\$0.00			\$0.00			\$0.00			\$0.00
<b>GRAND TOTALS</b>																	
Services																2,080.00	\$203,632.00
LOB Application License Fee																	\$0.00

## Schedule 4 – Cost for Option 4: Data Cleansing

RFP reference: 5.3.2.6 Schedule 4 – Cost for Option 4: Data Cleansing, page 80

### 5.3.2.6 Schedule 4 – Cost for Option 4: Data Cleansing

Under Services, enter applicable staff positions, number of hours and hourly rates for services related to data cleansing for the project years. Under Hardware, Commodity Software, and Miscellaneous Costs, indicate the name and purpose of the item and the cost per year of that item. Costs from Schedule 4 carry automatically to the Bid Summary schedule. For more information on Option 4, the vendor is referred to Appendix D Section 2.14.4 Data Cleansing.

The Deloitte fixed price for the 2,000 hours of services for Option 4: Data Cleansing is presented as follows:

West Virginia Consolidated Public Retirement Board - Schedule 4  
 Option 4 - Data Cleansing

Vendor's Firm Fixed Price Cost Proposal

NOTE: All hourly rates quoted must be fully "loaded" to capture all reimbursable travel-related expenses.

Cost Element	Year 1 Cost			Year 2 Cost			Year 3 Cost			Warranty Period			Total Hours	Total Cost
	\$/hr	Hours	Total	\$/hr	Hours	Total	\$/hr	Hours	Total	\$/hr	Hours	Total		
<b>Services</b>														
Manager	\$204.00	100	\$20,400.00			\$0.00			\$0.00			\$0.00	100	\$20,400.00
Business Analyst	\$173.00	480	\$83,040.00			\$0.00			\$0.00			\$0.00	480	\$83,040.00
Programmer	\$55.00	1420	\$78,100.00			\$0.00			\$0.00			\$0.00	1420	\$78,100.00
			\$0.00			\$0.00			\$0.00			\$0.00	0	\$0.00
			\$0.00			\$0.00			\$0.00			\$0.00	0	\$0.00
			\$0.00			\$0.00			\$0.00			\$0.00	0	\$0.00
			\$0.00			\$0.00			\$0.00			\$0.00	0	\$0.00
<b>Subtotal</b>		2000	\$181,540.00		0	\$0.00		0	\$0.00		0	\$0.00	2000	\$181,540.00
<b>Additional Hardware (if any)</b>														
														\$0.00
														\$0.00
														\$0.00
														\$0.00
														\$0.00
<b>Subtotal</b>			\$0.00			\$0.00			\$0.00			\$0.00		\$0.00
<b>Additional Commodity Software (if any)</b>														
														\$0.00
														\$0.00
														\$0.00
														\$0.00
														\$0.00
<b>Subtotal</b>			\$0.00			\$0.00			\$0.00			\$0.00		\$0.00
<b>Miscellaneous Costs (if any)</b>														
														\$0.00
														\$0.00
														\$0.00
<b>Subtotal</b>			\$0.00			\$0.00			\$0.00			\$0.00		\$0.00
<b>GRAND TOTALS</b>		2000	\$181,540.00		0	\$0.00		0	\$0.00		0	\$0.00	2000	\$181,540.00

## Schedule 5 – Cost for Option 5: Vendor Delivery of Employer Training

RFP reference: 5.3.2.7 Schedule 5 – Cost for Option 5: Vendor Delivery of Employer Training, page 81

### 5.3.2.7 Schedule 5 – Cost for Option 5: Vendor Delivery of Employer Training

Under Services, enter applicable staff positions, number of hours and hourly rates for services related to vendor delivery of Employer Training for the project years. Under Hardware, Commodity Software, and Miscellaneous Costs, indicate the name and purpose of the item and the cost per year of that item. Costs from Schedule 5 carry automatically to the Bid Summary schedule. For more information on Option 5, the vendor is referred to Appendix D Section 2.14.5 Vendor Delivery of Employer Training.

Should WVCPRB exercise the option to have the vendor deliver the Employer Training instead of using a train-the-trainer approach, Deloitte assumes the WVCPRB will be responsible for any site related costs, including but not limited to, rental of conference facilities, refreshments, rental of equipment, connection charges, any reimbursement required to employers, reproduction costs, WVCPRB related travel costs, etc. Deloitte also assumes that WVCPRB would be responsible for scheduling the classes, enrolling attendees, confirming attendance shortly before the class and other administrative activities.

Deloitte has included our costs for Option 5: Vendor Delivery of Employer Training as follows:

**West Virginia Consolidated Public Retirement Board - Schedule 5  
 Option 5 - Vendor Delivery of Employer Training**

**Vendor's Firm Fixed Price Cost Proposal**

NOTE: All hourly rates quoted must be fully "loaded" to capture all reimbursable travel-related expenses.

Cost Element	Year 1 Cost			Year 2 Cost			Year 3 Cost			Warranty Period			Total Hours	Total Cost
	S/hr	Hours	Total	S/hr	Hours	Total	S/hr	Hours	Total	S/hr	Hours	Total		
<b>Services</b>														
Trainer(s)			\$0.00			\$0.00	\$173.00	960	\$166,080.00			\$0.00	960	\$166,080.00
			\$0.00			\$0.00			\$0.00			\$0.00	0	\$0.00
			\$0.00			\$0.00			\$0.00			\$0.00	0	\$0.00
			\$0.00			\$0.00			\$0.00			\$0.00	0	\$0.00
			\$0.00			\$0.00			\$0.00			\$0.00	0	\$0.00
			\$0.00			\$0.00			\$0.00			\$0.00	0	\$0.00
<b>Subtotal</b>		0	\$0.00		0	\$0.00		960	\$166,080.00		0	\$0.00	960	\$166,080.00
<b>Additional Hardware (if any)</b>														
														\$0.00
														\$0.00
														\$0.00
														\$0.00
														\$0.00
<b>Subtotal</b>			\$0.00			\$0.00			\$0.00			\$0.00		\$0.00
<b>Additional Commodity Software (if any)</b>														
														\$0.00
														\$0.00
														\$0.00
														\$0.00
<b>Subtotal</b>			\$0.00			\$0.00			\$0.00			\$0.00		\$0.00
<b>Miscellaneous Costs (if any)</b>														
														\$0.00
														\$0.00
														\$0.00
<b>Subtotal</b>			\$0.00			\$0.00			\$0.00			\$0.00		\$0.00
<b>GRAND TOTALS</b>		0	\$0.00		0	\$0.00		960	\$166,080.00		\$0	\$0.00	960	\$166,080.00

## Schedule 6 – Cost for Option 6: Vendor Replacement of Existing Imaging System

RFP reference: 5.3.2.8 Schedule 6 – Cost for Option 6: Vendor Replacement of Existing Imaging System, page 81

### 5.3.2.8 Schedule 6 – Cost for Option 6: Vendor Replacement of Existing Imaging System

Under Services, enter applicable staff positions, number of hours and hourly rates for services related to replacement of the existing imaging system for the project years. Under Hardware, Commodity Software, and Miscellaneous Costs, indicate the name and purpose of the item and the cost per year of that item. Costs from Schedule 6 carry automatically to the Bid Summary schedule. For more information on Option 6, the vendor is referred to Appendix D Section 2.14.6 Replacement of Existing ApplicationXtender Imaging System.

Deloitte will meet WVCPRB's needs by using the existing ApplicationXtender solution and do not propose an alternative package. Hence, there are no costs associated with this option.



West Virginia Consolidated Public Retirement Board - Schedule 6  
 Option 6 - Vendor Replacement of Existing Imaging System

Vendor's Firm Fixed Price Cost Proposal

NOTE: All hourly rates quoted must be fully "loaded" to capture all reimbursable travel-related expenses.

Cost Element	Year 1 Cost			Year 2 Cost			Year 3 Cost			Warranty Period			Total Hours	Total Cost
	S/hr	Hours	Total	S/hr	Hours	Total	S/hr	Hours	Total	S/hr	Hours	Total		
<b>Services</b>														
N/A			\$0.00			\$0.00			\$0.00			\$0.00	0	\$0.00
			\$0.00			\$0.00			\$0.00			\$0.00	0	\$0.00
			\$0.00			\$0.00			\$0.00			\$0.00	0	\$0.00
			\$0.00			\$0.00			\$0.00			\$0.00	0	\$0.00
			\$0.00			\$0.00			\$0.00			\$0.00	0	\$0.00
			\$0.00			\$0.00			\$0.00			\$0.00	0	\$0.00
Subtotal		0	\$0.00		0	\$0.00		0	\$0.00		0	\$0.00	0	\$0.00
<b>Additional Hardware (if any)</b>														
														\$0.00
														\$0.00
														\$0.00
														\$0.00
Subtotal			\$0.00			\$0.00			\$0.00			\$0.00		\$0.00
<b>Additional Commodity Software (if any)</b>														
														\$0.00
														\$0.00
														\$0.00
Subtotal			\$0.00			\$0.00			\$0.00			\$0.00		\$0.00
<b>Miscellaneous Costs (if any)</b>														
														\$0.00
														\$0.00
Subtotal			\$0.00			\$0.00			\$0.00			\$0.00		\$0.00
<b>GRAND TOTALS</b>		0	\$0.00		0	\$0.00		0	\$0.00		0	\$0.00	0	\$0.00

## Schedule 7 – Cost Estimate by Project Phase

RFP reference: 4.5 Cost Proposal Format/Bid Sheets, page 388

### 5.3.2.9 Schedule 7 – Cost Estimate by Project Phase

Enter cost figures for the project phases assuming functional project elements only. The first three preliminary phases have been defined in the RFP. Vendors should add the functional rollout phases they propose and enter costs accordingly. Please note that the total of Schedule 7 should be equal to the total of the Bid Summary.

The cost proposal worksheets are presented in picture format in Attachments EXH 18 to EXH 25 of this RFP for information purposes only. Vendors should use the accompanying Excel workbook for compiling and submitting their bids.

In addition to the Excel workbook, we note that Option 3 – LOB Application Source Code – as described in Appendix D Section 2.14.3 has a table that should be completed and incorporated into the vendor's Cost Proposal.

If applicable, sign and submit the attached Resident Vendor Preference Certificate with the proposal (see Exhibit 3 West Virginia Vendor Preference Certificate).

Deloitte has included our Cost Estimate by Project Phase as follows:

<b>West Virginia Consolidated Public Retirement Board - Schedule 7</b> <b>Vendor's Service Cost by Project Phase</b> <b>Assume Functional Project Elements Only</b> <b>Listed Are Preliminary Project Phases Defined in RFP - vendor Should Add Functional Rollout Phases as Appropriate</b>	
Project Phase	Cost
Phase 1: Project Workplan Development	\$1,180,544
Phase 2: Detailed Requirements Development	\$1,888,870
Phase 3: HW/SW Infrastructure Implementation	\$944,435
Phase 4a: Benefits (Release 1)	\$8,263,806
Phase 4b: Membership (Release 2)	\$9,916,567
Phase 5: Post Implementation Warranty	\$1,416,652
Phase 6: Post Implementation Support	\$395,407
Out Year Support	\$203,632
	\$0
	\$0
	\$0
	\$0
	\$0
<b>Total</b>	<b>\$24,209,913</b>

## Option 3 – Option to Purchase Source Code for LOB Application Software

RFP reference: 2.14.3 Option to Purchase Source Code for LOB Application Software, page 311

As indicated in 3.2.5.6.3 Source Code for LOB Application Software, WVCPRB seeks an option by which the vendor agrees not only to provide WVCPRB with a perpetual, non-exclusive, irrevocable license to use to the LOB software, but also the delivery of the source code. Under this option, the vendor should provide the price at which, at any time (i.e., during the project, during the warranty period, and/or at any time after the end of the warranty) WVCPRB may purchase the source code of the then current version of the LOB application software.

In responding to this option, the vendor should indicate their agreement to this option in their technical proposal and complete the table below as part of the cost proposal. This is not an option that WVCPRB may necessarily choose to exercise during best and final offer solicitation. In the cost proposal, the vendor should state that the prices provided in a copy of Table 42: Cost to WVCPRB of Exercising Option of Source Code Purchase (which should be included in the vendor's Cost Proposal are guaranteed for the period indicated in Column 1.

Deloitte includes the DPAS source code and all WVCPRB customizations made during the project with our license agreement. Please refer to Exhibit 20 Proposed System License Agreement and Section V.4 Perpetual, Non-Exclusive, Irrevocable License & Right to Purchase LOB Source Code for additional information regarding our source code license rights. To that end, as the Deloitte DPAS solution does not include **any** ongoing maintenance costs, we firmly believe our proposal provides WVCPRB with the lowest long-term total cost of ownership and best value to the constituents of West Virginia.

Years after Completion of Project	Not to Exceed Price for Source Code
0	\$0
1	\$0
2	\$0
3	\$0
4	\$0
5	\$0
6	\$0
7	\$0
8	\$0
9	\$0
10	\$0

# Option 7 – Deferred Retirement Option Plan (DROP) Processing

RFP reference: 2.14.7 Deferred Retirement Option Plan (DROP) Processing, page 314

WVCPRB does not currently offer a Deferred Retirement Option Plan (DROP) to its members. However, WVCPRB wants to prepare for the possible introduction of such a plan by the legislature. With that in mind, WVCPRB requires that the offeror cost, as an option, DROP processing functionality integrated with the LOB solution. Given the nature of DROP processing, WVCPRB believes that such functionality could reasonably consist of modifications to the offeror's LOB solution or be made available through a module that "attaches" to the LOB solution.

Regardless of the means by which it is provided, the required functionality includes the following:

1. Enrollment and Maintenance
  - a. Ability to enroll retirees in the DROP program and record the accumulation and distribution characteristics of their deferred benefit
  - b. Ability to calculate and record the resulting effect of the DROP benefit on the defined benefit.
  - c. Ability to change addresses (e.g., primary and seasonal), beneficiaries and other related information in the same manner and to the same degree as for the defined benefit.
2. Transaction Processing
  - a. For every monthly (or more frequent) annuity payment made to the retiree, record the appropriate deduction for the DROP contribution in a manner that allows for separate accounting of the DROP for the retiree
  - b. On final distribution of the DROP benefit, ability to provide for a full accounting of how the benefit was derived, the appropriate dollar amounts and their taxability and tax impact.
  - c. Ability to make payments to appropriate taxing authority of any withholding taken during the course of the benefit.
  - d. Provide aggregation and export capability of DROP transactions (both deductions and distributions) to the appropriate General Ledger Accounts.
3. Reporting and Inquiry
  - a. Ability to produce a report of a members DROP activity (e.g., accumulation of contributions to DROP, disbursements from the plan)
  - b. Ability to produce a variety of management reports reflecting retirees' activity in the DROP between two dates, balance as of a particular date, and tax liabilities as of a date.
  - c. Ability to produce ad hoc reports through the same capabilities available in the LOB solution.
  - d. Ability to produce the appropriate year-end tax forms for retiree and for submission to taxing authorities.

Deloitte has included our Cost Estimate for DROP processing as follows, this estimate will be refined once the final scope and timing for integrating DROP functionality is established:

Cost Element	Cost Estimate		
	\$/hr	Hours	Total
Manager	\$204.00	288	\$58,752 .00
Architect	\$194.00	448	\$86,912.00
Programmer (Off-Shore)	\$55.00	1,440	\$79,200.00
Analyst	\$173.00	720	\$124,560.00
<b>Totals</b>		<b>2,896</b>	<b>\$349,424.00</b>

## Assumptions

The following assumptions are included with our cost proposal:

- **Blended Rate.** In connection with RFP Section 2.6.3.7.3 and demonstrating any credit amounts due in context of de-scoped services that are bundled, Deloitte has provided a blended hourly rate in our cost proposal. We assume we will use the rate provided for "Customization of Scripts" which is included at the bottom of Cost Schedule 3 when determining the credit to be applied for the work items that are no longer needed. Deloitte further assumes such de-scoping will be done via change order.
- **Holdback.** In connection RFP Section 4.8 concerning final acceptance, Deloitte understands that final acceptance of the system will be dependent upon the completion of outstanding contractual items. We understand this to be in the context of the release of the final holdback. Deloitte assumes that satisfaction of punch list items will be achieved when all critical, high, and medium defects have been addressed. Deloitte also requests that the holdback amount be negotiated and requests that 5% be substituted for the requested 15%.
- **Payment Schedule.** In connection RFP Section 4.8 concerning Invoices, Payments and Retainage. Deloitte assumes we will enter into discussions regarding the payment schedule to better align cash receipts with delivered results, effort expended, and costs incurred.
- **Post—Implementation and Option Related Payments.** Deloitte assumes we will be able to invoice WVCPRB on a monthly basis, in full, for hours expended on Option 4, Option 5, Option 7 and Post-Implementation IT Support, Post-Implementation Operations Support, and Out Year Support.
- **Post-Implementation Support.** Post-Implementation IT support has been priced with one on-site resource for one-year and Post-Implementation Operations Support has been priced with one on-site resource for one-year. If WVCPRB requires additional support beyond these fixed levels provided in our costs, Deloitte assumes WVCPRB will procure these additional services at the rates established in the final contract.
- **Option 1: Hardware and 2: Software.** We assume that if WVCPRB were to exercise the options related to Hardware or Commodity Software procurement by the vendor, there would be no associated holdback and the vendor would be able to invoice, upon delivery, for the full amount. In the event Deloitte is requested to provide any third party product, it shall do so via Deloitte Consulting Product Services, LLC, a dedicated reseller within the Deloitte organization. Additional terms will be required in connection with such resell and WVCPRB shall enter into all license and maintenance agreements directly with the third party vendors. Deloitte also assumes the Hardware and Software costs presented will be used to establish a single budget for the project for use in procuring any necessary component for the project.
- **Option 5: Employer Vendor Training.** Should WVCPRB exercise the option to have the vendor deliver the Employer Training instead of using a train-the-trainer approach, Deloitte assumes the WVCPRB will be responsible for any site related costs, including but not limited to, rental of conference facilities, refreshments, rental of equipment, connection charges, any reimbursement required to employers, reproduction costs, etc. Deloitte also assumes that WVCPRB would be responsible for scheduling the classes, enrolling attendees, confirming attendance shortly before the class and other administrative activities.

- **Option 7: DROP Processing.** Deloitte assumes, since there is no legislation related to DROP in WV, the hours provided for this option will be provided as an estimate only. Once legislation, administrative procedures and requirements are finalized the hours estimate will be refined accordingly and re-priced.
- **Additional Support:** Deloitte assumes the hourly rates for extending any Deloitte resources providing additional services will include a 3% annual escalation effective every July 1<sup>st</sup> starting July 1, 2016. Deloitte assumes we will be able to invoice WVCPRB on a monthly basis, in full, for hours expended on such support.