Deloitte.

West Virginia Office of Technology (WVOT) Technical Proposal

Subject: OT Assessment and Consulting Services (OT23016)
RFP#   CRFP 0231 OOT2300000001

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Date: September 12, 2022

September 15, 2022

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RE: Request for Proposal No. CRFP 0231 OOT2300000001 OT Assessment and Consulting Services

Dear Ms. Hovanec,

Deloitte· is pleased to submit this proposal to the West Virginia Office Of Technology ("WVOT") in response to your Request for Proposal (RFP) OT Assessment and Consulting Services.

Transforming statewide IT, such as that set forth by WVOT and Senate Bill 486, is a complex process that requires not only proven approaches to establish strong financial reporting, operating model and future-focused portfolio management and investment processes but strong change management planning, active stakeholder engagement, and, most critically, shaping of an IT organization that is governed for success and prepared to execute the IT vision providing impact back to the business.

Through this proposal, we are thrilled and to deliver a team that will not only provide leading IT strategy, experience and approaches to recognize WVOT's vision, but a team that will collaborate closely and work "hands on" with you throughout the scope of work. This includes helping develop an organizational structure and governance, early in the process, that will provide confidence that WVOT will be able to execute.

We are delivering senior CIO advisors from our national leadership team as a part of project leadership to help ensure the best of Deloitte and industry are brought to the project. Our delivery model will consist of an experienced core team, surrounded by a team of leaders across the required disciplines of IT transformation. This team will include dedication of one of Deloitte's foremost leaders in Enterprise IT Transformation and IT Workforce Development. See Section **Error! Bookmark not defined.** for our proposed support and delivery model. Lastly, while we understand WVOT has removed Enterprise Architecture (EA) from scope, our proposal also includes an EA subject matter resource on the team to help ensure this critical enterprise capability and the future work required around it, is considered in project dialogue and outputs.

In summary, Deloitte looks forward to bringing through this revised proposal:

- A redesigned, hands-on, core team of IT transformation experts that will work closely with you throughout the project to not just advise, apply leading IT strategy and approaches, and create highest quality deliverables but actively assist, partner and transfer knowledge to WVOT to help shape a well-aligned, strong, sustainable IT model for the future.

- Enhanced IT Organizational Change Management and Workforce development support, to help establish organizational governance and structure, early in the process, and also support ongoing collaboration, coaching and hands on change management support so that WVOT is able to execute in its mission.

- Applied approaches in IT financials, IT Investment and Portfolio Management, and Organizational change leveraging practical tools to speed adoption, increase maturity and create consistency for WVOT's future Enterprise Architecture model, reduce risk, create value, and embolden WVOT's business case for investment in the state budget environment.

- Our hands on team will bring Industry leading expertise in statewide enterprise IT strategy, transformation and organizational change, backed by Deloitte's global IT consulting and research capabilities. We are confident that no other provider has the depth and breadth of experience in IT

throughout the advise, implement and operate phases of enterprise IT, providing WVOT confidence throughout the engagement and rapid, measurable, real world results.

Deloitte looks forward to working with you on this engagement. Should you have any additional questions, concerns, or comments regarding our response please do not hesitate to contact me at +1.717.512.8364 or via email at artstephens@deloitte.com.

Your sincerely,

arthur C. Stephen

Art Stephens

Managing Director

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Executive Summary

In accordance with the West Virginia (WV) Senate Bill 486, WV seeks to modernize its strategic governance and management of technology investments. This will require an approach that blends IT transformation experts that will work directly with West Virginia Office of Technology (WVOT) to actively partner and transfer knowledge as well as provide enhanced IT organizational change management support to establish strong organizational governance and structure - starting early in the process.

Our hands-on multi-faceted approach to achieve WVOT's modernization objectives, spans the core expertise needed for success, including IT strategy, organizational change management, enterprise architecture, demand and resource management, IT budgeting and technology investment, and IT portfolio management. The team and tools we bring to the engagement will be actively applied by the Deloitte team to speed success of WVOTs initiatives, operationalize the planning process, and provide the data needed for decision support. Our IT Budget and Investment team will help generate annual reports that clearly outline WVOTs strategy and accomplishments against mission and bolster the business case for further investment and support of its initiatives.

Deloitte understands the key challenges that WVOT faces through its experience guiding IT leaders across the country and has proposed an approach which will not just advise but embed support from its experts, actively partner with WVOT, move the organization towards mature strategic governance and management, and drive value for every IT dollar invested as summarized in Table 1.

Table 1. Key Challenges, Corresponding Highlights of Our Best-in-Class Approach, and Impact to WVOT.

Key Challenges	Highlights of Our Approach	Results for WVOT
• Need to shift IT from a historically reactive operate capability to a future focused department. • Limited foundational capabilities to set, plan, and manage technology direction in alignment to the broader business strategy. • Limited data-driven and standards-based decisions about future technology investments and strategic goals. • Limited IT budget, requiring a value-add driven approach.	• Application of the Deloitte Technology Capability Model assessment which serves as a best practice guide on how digitally enabled high performing technology organizations function from a people, process, and tools perspective in order to establish efficient operations and better serve the demands of the business, customers, and end users. • Supporting data-driven methods to mature WVOT's ability to strategically govern and manage their project portfolio, application portfolio, services, and budget & investments in alignment with their overarching future state vision and architecture. • Use of holistic Project Jump Start Discovery phase which cuts across all the key capability areas to accelerate assessment and inform development of all subsequent deliverables. • Utilization of industry and capability SMEs to provide experience and tools to deliver results faster and better tailored to WV's needs. • Enhanced IT Organizational Change Management and Workforce development support with advanced level collaboration, coaching, and hands-on learning opportunities.	• A well-articulated, multi-year, iterative strategy that addresses all elements of the technology roadmap, translating mission, vision, and objectives into technology imperatives and investments. • Formulated plans, models and governance controls that support with technology strategy being implemented in a consistent and controlled manner. • Managed technology operating and capital budget required to implement the mission and technology strategy at optimal cost. • Demonstrate technology potential with more efficient time to value, providing greater opportunity to grow ideas and realize benefits. • Established organizational governance and structure, early in the process, and ongoing collaboration, so that WVOT is able to execute in its mission.

Throughout our response for the Mandatory Project Requirements we have highlighted, at the beginning of each section, our differentiated value which refers back to Figure 1. In addition, at the end of each section in Mandatory Project Requirements we have included how we will provide advanced level collaboration, coaching, and hands-on learning opportunities for the State.

Figure 1. Overview of Our Value for West Virginia.

1. Project Goals and Mandatory Requirements (4.2)

West Virginia Office of Technology (WVOT) seeks to modernize existing services and create new strategic technology governance and management capabilities and services. Building and maturing WVOT capabilities will provide increased visibility into the technology investment portfolio and improve strategic technology management, supporting the attainment of WVOT's stated goals of enabling a robust digital government capability, good stewardship of technology funding, empowering use of technology through enterprise services, and protecting data and information systems. When done successfully WVOT stands to gain technology investments that maximize value to the business, the ability to track progress towards a technology strategy, better decision making on investment prioritization, and the ability to allocate the right resources to the right place at the right time.

WVOT requires a partner who will be able to assess, design, plan, and implement a strategic technology governance and management strategy and who will work side by side with WVOT to sustain that strategy. Deloitte is that partner. Throughout our partnership with WVOT, we will develop and refine a roadmap for driving change, execute upon an agile-based transformation strategy while providing recommendations on improvements to increase impact towards modernizing technology management, provide financial insights to senior leadership, and provide coaching and hands on learning opportunities all along the way. We have a track record of proven results helping clients with similar IT transformation efforts from strategy through to implementation.

THE DELOITTE TEAM

We are the leader:

- In Customer Relationship Management (CRM) & Customer Experience Services (Gartner)
- In Business Operations Consulting (Gartner)
- In Organizational Consulting (IDC)
- In Talent and Workforce Consulting (ALM Intelligence)
- In Innovation Strategy Consulting (ALM Intelligence)
- In Business Technology Transformation Consulting (Forrester)
- In Communications and Change Management Consulting (ALM Intelligence)
- In Global Digital Experience Agencies (Forrester)

1.1 Goals and Objectives (4.2.1)

1.1.1 WVOT Assessment and Recommendations (4.2.1)

As part of our WVOT Assessment and Recommendations, we will:

1) Evaluate the WVOT key capabilities to provide strategic technology management services. WVOT has identified the Key Capabilities as follows: Technology Investment Management, Enterprise IT Spend, Technical Debt, Technology Spend Analysis, Project Assurance, and Information Technology & Investment Portfolio System (I-TIPS)

2) Develop a two-phase strategic plan of improvement initiatives to build and improve capabilities to provide strategic technology management services

3) Assist WVOT in implementing the plan through a series of improvement initiatives

Our WVOT Assessment and Recommendations will initiate with a Project Jump Start Discovery, which will kick start our Key Capability Assessment – a holistic project discovery for the rest of the deliverables of the project across cost, projects, applications, strategy, and architecture dimensions, and inform the development of deliverables.

1) Key Capability Assessment

To conduct the Key Capability Assessment, we will leverage our Deloitte Technology Capability model, as shown in Figure 2, and associated playbook which represents Deloitte's best practice guide on how digitally enabled technology organizations should function from a people, process, and tools perspective to establish efficient operations and better serve the demands of the Business, Customers, and End Users. Based upon the key capabilities provided by WVOT, our assessment will be focused on the Vision & Innovate capability domain, which provides foundation for setting technology direction in alignment to the broader business strategy based on an overall enterprise architectural blueprint. As part of our Key Capability Assessment, we will work with WVOT to analyze the organization's current state in the focus capability areas, benchmark findings against leading practices, and recommend initiatives to address challenges inclusive of both quick wins and long term solutions. Our Deloitte Technology Capability model includes maturity levels, common pitfalls to avoid, key roles and interactions, processes, and required tools and technologies. The Deloitte Technology Capability model provides an opportunity for us to collaborate with WVOT on identifying quick wins for the organization leveraging key differentiating characteristics of the model including an approach that provides a platform for embracing new emerging technologies (such as Cloud, Digital, etc.), a model that has talent at its epicenter keeping in mind key considerations to define a talent strategy, maintain an appropriate talent pool and develop leaders of the future to deliver the business objectives, and a model to quickly assess current state capabilities of a technology organization and focus our attention on collaborating with WVOT to build sustainable strategies for the future.

Figure 2. Deloitte Technology Capability Model Provides a Broad Perspective on the Capabilities Required by an IT Organization to Succeed.
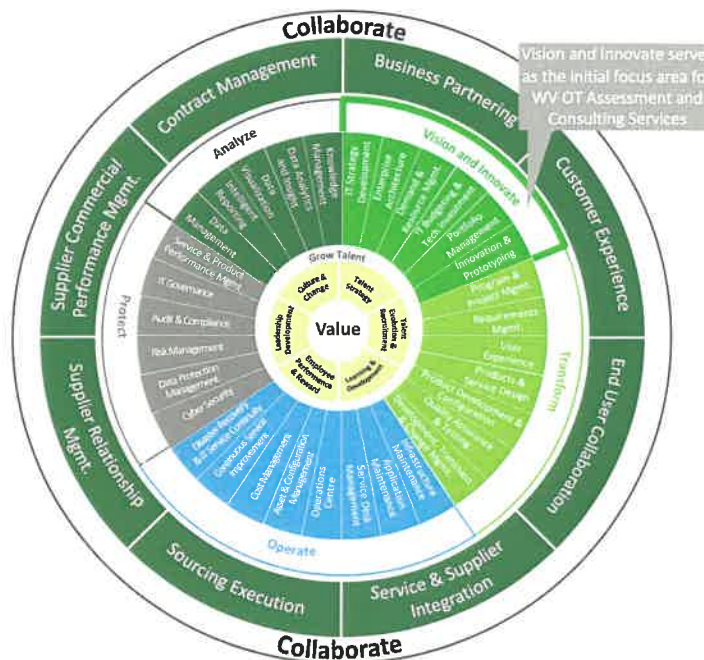
2) Development of a Two-Phase Strategic Plan

Following the Key Capability Assessment, we will develop a two-phase strategic plan to improve upon the key capabilities identified by WVOT. Specifically, the two-phase strategic plan will define improvement initiatives to build and mature WVOT capabilities to provide strategic technology management services including how WVOT can:

- Manage cost across the organization through the incorporation of the TBM Taxonomy

- Manage and govern their portfolio of enterprise IT modernization programs

- Manage their application portfolio to proactively modernize

In the development of the Two-Phase Strategic Plan, we will work side-by-side with WVOT to answer the following questions:

- What does fully modernized look like?

- How good do we need to be?

- How would we know if we were getting better?

- What would have to change in the way we operate?

- How do I build a sustainable strategy?

We will work and collaborate with WVOT to help facilitate these discussions, bringing in common pitfalls and associated remediations other organizations have faced, such as technology investments not aligned to business objectives, ineffective demand management processes, and carrying out cost reduction as a one-time activity. Beyond the development of the initial two-phase strategic plan, we will work with WVOT to recommend on-going refinements and adjustments as the WVOT environment evolves. We will bring forth into our collaborative support a backdrop of industry standard practices and will serve as a basis for coaching sessions with WVOT around the associated capabilities.

3) Implementation of the Strategic Plan

Throughout the delivery of the WVOT Assessment and Consulting Services, we will be engaged in a number of improvement initiatives that build, mature, and sustain WVOT capabilities to provide strategic technology management. WVOT has included capability building and maturing initiatives as part of the Mandatory Project Requirements (Section 1.2) and we have built in advanced collaboration, coaching, and hands-on learning opportunities through every facet of our delivery. In collaboration with WVOT, the team will define the quick wins, initiatives, and building blocks required to address key capability gaps as well as coach on actionable plans for the organization to drive forward with the implementation of the Strategic Plan. Once the gaps and major changes are identified, we will group related improvement initiatives that will then be prioritized during the roadmap execution phase. As initiatives are solidified, the team can co-create with WVOT the business cases to describe the value created by that respective transformation activity. Additional improvement initiatives will be defined in the Two-Phase Strategic Plan and implemented through the potential for Additional / Optional Services (Section 1.2.3).
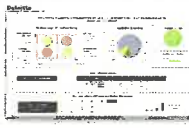
Methods and Resources Used and How Deloitte Will Accomplish the Tasks Involved (4.2.1.1.1.1 Part 1)

We provide an overview of the supporting frameworks, methods, and accelerators in

Table **2** below. Our approaches span IT financials, IT Investment and Portfolio Management, and Organizational change leveraging practical tools to speed adoption, increase maturity and create consistency for WVOT's future Enterprise Architecture model, reduce risk, increases value, and embolden WVOT's business case for investment in the state budget environment. How Deloitte will not only accomplish the tasks but also provide advanced collaboration, coaching, and learning opportunity is included in each deliverable section as part of the Mandatory Project Requirements Section (Section 1.2).

Table 2. Proposed Methods and Resources.

Method / Resource	How it Will be Used to Accomplish the Tasks
Deloitte Technology Capability Model	Provides **comprehensive IT Capability model** across 7 capability domain areas and over 30 critical IT capabilities. Used to assess maturity of Key Capabilities and development of improvement initiatives to mature which will be defined in the Two-Phase Strategic Plan. Includes the technical drivers and trends that are impacting the people, processes, and tool components of each of the capabilities to **better analyze the data and impact to the enterprise supporting better decision making for WVOT.**
Project and Integration Management (PIM) Approach	PIM **integrates leading PMBOK based practices** to create a streamlined system that delivers the project management services required for this project. PIM provides WVOT a standard and **repeatable method for project management, reducing the overall risk towards execution.**
Application Portfolio Strategy (APS) Tool	Serves as the primary tool to **rationalize and develop recommended 7R approach** to leverage modernized technologies such as cloud, APIs, low code development platforms, and data & analytics. Used to collect information from the organization regarding assessment of each application in the organization's application portfolio. The APS Tool will be used to evaluate each application's impact on the business and on organization's current technology in an **accelerated timeline and provide more accurate analysis to support better decision making.**
Human Centered Change (HCC) Framework	Used to **co-create change tactics with stakeholders to emphasize human connection and keep stakeholder needs top-of-mind** throughout the change process. HCC provides WVOT a **repeatable process to engage across the organization reducing change risk** involved with the assessment, definition, and implementation of improvement initiatives.
Deloitte Greenhouse Lab Kit	The Deloitte Greenhouse Lab Kit provides over 50 workshop exercises, to **develop tailored workshops** meeting a variety of client needs including visioning, prioritizing, planning, and assessing activities. Leveraging the Lab Kit will **create more engaging workshops that get better results and have a deeper impact for WVOT.**
Data Management, Analysis, and Assessment Framework	Data Management, Analysis, and Assessment (DA_2) is a Deloitte framework designed from our professional and operational experience derived from providing our clients (State, Federal, Private Sector, International) with an **assessment of practices and financial information.** Our teams begin with Deloitte frameworks, designed by our leading specialists, for an approach that has been tested and found beneficial to reaching the project deliverable. (DA_2) provides WVOT a **low-risk approach to quickly assess financial information for the organization.**
IT Governance Framework	The Deloitte IT Governance Framework provides WVOT **ready to use definitions, templatized charters, initial process flows and RACIs**, and over 10 work product templates spanning industry standard practices across governance decision domains, governance organizational structure, and governance processes. The Framework provides **greater value to WVOT with a set of out of the box processes and policies to use for definition.**

Ensuring Expectations & Desired Outcomes Through a Measurable Maturity Model Approach (4.2.1.1.1.1 Part 2)

We will leverage a CMMI based maturity model as part of Key Capability Assessment. While the definition of maturity levels is specific to each capability, the broad common characteristics of the five maturity levels in terms of approaches, scope, and outcomes, are summarized in Table 3. For each Key Capability assessed, we have five defined maturity levels, each of which characterizes a different level of efficiency and effectiveness. This facilitates a modular, systematic, and incremental approach to capability improvement, by helping gauge how advanced the capability is, and identifying the Improvement Initiatives to take to improve over time. We will work with WVOT to ensure desired outcomes of maturity improvement are achieved by tying improvement initiatives with specific

maturity levels and include associated key performance indicators (KPIs) as applicable. Out organizational change management approach includes additional details on how we will collaborate with WVOT through executive leadership support, operational leadership support, and workshops to achieve and sustain maturity levels. Our approach provides additional value to WVOT, with our Technology Capability Model which provides associated assessment accelerators to quickly identify challenges, overall maturity, and priority areas for transformation. The use of the Technology Capability Model with associated CMMI levels helps WVOT ensure expectations and outcomes with easily and integrated capture of challenges, assessment of maturity, associated improvement initiatives, KPIs, and key factors to identify future progress in the maturity of the capability.

Table 3. Overview of CMMI Based Maturity Model Used as Part of the Deloitte Technology Capability Model.

Level	Approaches Quality of routines/ practices or activities	Scope Breadth of coverage/focus	Outcomes Predictability between actions and consequences
1 – Initial	Approaches are inadequate or activities	Scope is fragmented and incoherent.	Repeatable outcomes are rare.
2 – Basic	Approaches are defined, but inconsistencies remain.	Scope is limited to a partial area of a business function or domain area; deficiencies remain	Repeatable outcomes are achieved occasionally.
3 – Intermediate	Approaches are standardized, inconsistencies are addressed.	Scope expands to cover a business function (typically IT) or domain area.	Repeatable outcomes are often achieved.
4 – Advanced	Approaches can systematically flex for innovative adaptations.	Scope covers the end-to-end organization/neighbouring domain areas.	Repeatable outcomes are very often achieved.
5 – Optimizing	Approaches demonstrate world-class attributes	Scope extends beyond the borders of the organization/neighbouring domains.	Repeatable outcomes are virtually always achieved.

Organizational Change Management (4.2.1.1.1.1 Part 3)

Organizational change management serves as a critical component of any transformational effort. Our approach to change management includes working with WVOT to develop and execute a governance plan and associated a stakeholder engagement strategy and to also identify and implement the organizational changes required to support the planned operating model.

To help ensure WVOT can operationalize its new IT environment, organizational change activities need to start early in the process. Our team will work with you to help ensure the initial planning, high level governance structure, and stakeholder engagement strategy is established – in Phase 1.

We will work closely with WVOT to customize a repeatable change methodology based on the Deloitte Human-Centered Change (HCC) framework. HCC delivers a phased method,

DID YOU KNOW?

At Deloitte, we leverage our Global Human Capital Trends report, which is researched and published annually, to leverage industry-leading insights to help our clients stay ahead of workforce trends.

adaptable for any change initiative, that establishes a structured approach for engaging stakeholders throughout the change process using communications and engagement planning best practices to guide the people side of change.

Four essential elements anchor HCC. These elements— **Discover, Define, Develop, and Deliver**—will be an essential part of our robust change management approach and revisited during each stage of the transformation. Change solutions designed through HCC support delivering specific, tailored change for implementation and sustainment.

As part of our WVOT Assessment and Recommendations, we will provide the following Organizational Change Management support:

1. Executive Leadership Support: Support the communications of strategic change recommendations to enable executive-level oversight and decision-making of strategic technology management.

2. Operational Leadership Support & Development: Support the development of key staff to alter and modernize work functions aligned to strategic technology management efforts.
3. Workshops: Facilitation of development workshops in support of organizational change management elements of the project.

1) Executive Leadership Support

WVOT seeks to facilitate and communicate key change recommendations to enable leaders to make decisions and support strategic technology management. We will perform an in-depth stakeholder analysis through interview methods and exercises to better understand organizational factors and workforce needs. The stakeholder analysis will help to identify vital insights to build change plans. We find that using direct insights from stakeholders as the basis of the change management approach not only increases the confidence of executive leadership in the change management plan but also empowers them to oversee change management activities long after the transformation engagement ends. This approach will help WVOT leaders make well-informed operational and organizational decisions and deliver specific, tailored change that can be implemented and sustained.

Using Deloitte's HCC methodology will enhance traditional change management to define the case for change and future vision and keep the focus on the people involved in innovation and large-scale transformations. We will develop a strategic change roadmap to plan out how the changes will be communicated, understood, and sustained by all stakeholders. Our HCC framework (Figure 3), described in more detail below, establishes a structured approach for engaging stakeholders throughout the change process to set the stage for and deliver change successfully and sustainably. As part of each phase of HCC, we identify specific deliverables or templates critical for success and complete them. Potential examples include a Change Readiness Assessment, Change Impact Assessment, Stakeholder Engagement Plan, Training Strategy, Communications Plan, and a Continuous Improvement Approach.

Figure 3. Overview of Deloitte's Human Centered Change (HCC) Approach.

DISCOVER	DEFINE	DEVELOP	DELIVER	ITERATE
Understand and research your stakeholders	Envision how stakeholders will act in the future state	Co-create and iterate change techniques	Implement and measure change techniques	Repeat, course correct, and update as necessary

2) Operational Leadership Support & Development

To support the development of key staff throughout the modernization, Deloitte will implement a robust knowledge transfer plan. Our team will work with WVOT to document and transfer project-related knowledge, skills, and ability from our project team to you, so the essential information gathered from the project stays with WVOT.

We work with WVOT to create a knowledge transfer approach that addresses the development of critical skills, capabilities, and experiences for crucial staff, focusing on operational leadership and integrating our organizational change management process and tools into the knowledge transfer planning and execution.

The approach steps include:

- Developing the goals and objectives of the knowledge transfer process
- Identifying the WVOT and Deloitte team members for knowledge transfer, and the associated roles and responsibilities
- Outlining the focus areas for knowledge transfer
- Defining the method for measuring knowledge transfer success

Deloitte will deliver a knowledge transfer plan as an output of the knowledge transfer work. The Knowledge Transfer Plan is created for operational leaders of each technology capability and serves as the blueprint for defining the scope transfer. Knowledge transfer partners will work to understand the process, technical, behavioral, and other changes they will need to fully mature in their new roles. The knowledge transfer team will

define success metrics for transferring knowledge, establish timing, and log the updated Knowledge Transfer Plan to a shared document repository.

3) Workshops

Finally, Deloitte understands that WVOT seeks workshops to support the organizational change management elements of the project, which we will provide through one or more Leadership Alignment Workshop(s) and Leadership Vision Workshop(s). Deloitte has extensive experience designing workshops to meet our customers' unique needs. We base our workshop methodology on our Greenhouse Lab Experience, which helps clients reach breakthroughs in creativity, strategy development, and planning. As part of our Greenhouse Lab Experience, we will bring facilitation principles, design thinking, analytics and insights, and collaboration. To accompany the Greenhouse Lab Experience, we'll offer our "Greenhouse Lab Kit," an accelerator created after delivering thousands of Breakthrough Labs. The Lab Kit focuses on creating more engaging workshops with better results and more profound impact. With The Lab Kit, WVOT will receive on-demand elements of the Deloitte Greenhouse experience to amplify workshops.

Over the years, our workshops have helped many clients gain insight into their internal operations. We use workshops to help clients take a step back and address complex challenges by bringing in the principles of group dynamics and innovation theory. When we facilitate, we focus on providing an environment to increase engagement, ideation, and alignment. Our workshop approach includes four steps:

- Collaborate with executive leadership to identify goals and objectives
- Facilitate a pre-workshop alignment session to prioritize objectives and confirm buy-in
- Facilitate an engaging and impactful workshop
- Create action plans and define metrics to measure the achievement of intended outcomes

The desired outcome of each workshop is to secure leadership alignment on future state goals and aspirations, resulting in solid ownership and alignment on the future state strategy by all stakeholders.

Phase 1 Work Plan (4.2.1.1.1.1 Part 4)

Phase 1 will provide WVOT a refreshed vision, assess their maturity of WVOT capabilities to provide strategic technology management services, and implement upon improvement initiatives as called out by the Phase 1 Mandatory Requirements for the following: Project Plan, Preliminary IT Financial Report, Services Rates Catalog, I-TIPS Analysis, Five Year Strategic Technology Roadmap, and Annual IT Report. Based on the requirements and successfully leading IT transformation initiatives for other government clients, we've provided the following work plan for Phase 1.

Figure 4. WVOT Assessment and Consulting Services Phase 1 Work Plan.

Major Activity	Month

Conduct Jump Start Discovery

- Validate data collection method with WVOT
- Send data collection surveys
- Collect related data across all deliverables
- Develop proposed criteria for top 100 apps
- Conduct Leadership Alignment Workshop
- Conduct interviews with key stakeholders
- Develop quick wins to drive implementation

Dedicated Organizational Change Mgmt. Support

- Develop and implement governance structure
- Develop stakeholder engagement strategy
- Identify and implement organizational changes
- Develop repeatable OCM methodology

Develop Project Plan

- Develop project plan for Phase 1
- Establish related PIM artifacts for project
- Validate project plan with WVOT

Develop IT Financial Report

- Analyze Jump Start Discovery Financial Data
- Consolidate for WVOT's financial report
- Develop IT financial estimate report outline
- Provide coaching to sustain capability
- Finalize report and provide to WVOT

Develop Service Rates Catalog Proposed Revision

- Organize data inputs and identify gaps
- ETL to organize the data for analysis
- Share benchmark and methods with WVOT
- Evaluate data and consolidate to report

Develop I-TIPS Analysis Report

- Use data from Jump Start for APS Tool
- Assess technical and business value attributes
- Assess and summarize application persona
- Conduct coaching with app. portfolio SMEs
- Develop report and provide to WVOT

Develop Five-year Strategic Technology Roadmap

- Conduct Key Capability Assessment
- Summarize findings from assessment into Two-Phase Strategic Plan
- Conduct Leadership Vision Workshop
- Align and prioritize initiatives with vision
- Collaborate on action plan to maintain roadmap
- Develop roadmap and provide to WVOT

Develop Annual IT Report

- Gather report requirements & develop use cases
- Collect data from prior deliverables as well as new data
- Refine report to provide content in support of decision making and IT spend analysis
- Work side by side to on Annual IT Report maintenance approach
- Develop report to align to use case requirements and provide to WVOT

Key ◆ Milestone   Collaboration, Coaching, and Hands On Learning Activity
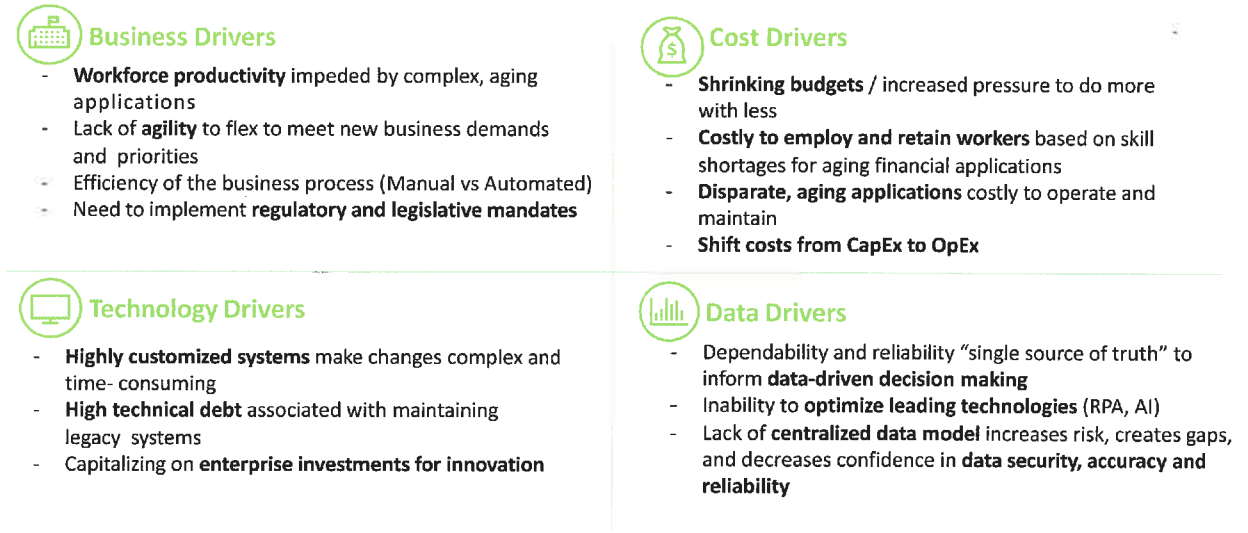
Critical to the success of the project is to conduct a Project Jump Start Discovery which will provide a holistic assessment of the Key Capabilities as well as a CIO future state definition exercise to inform the development of the two-phase strategic plan. Discovery includes interviews with key stakeholders (up to 10), survey of required data to create a current state baseline across pertinent cost data, project data, application data, and supporting materials (ex. Strategies, architectures, project overviews, etc.) around the key capabilities that WVOT has identified. We will leverage proven data collection framework consisting of pre-built data collection sheets informed by previous Technology Business Management, Project Portfolio Management, Application Portfolio Management, IT Strategy, and Enterprise Architecture projects. This information will inform the deliverables created after the two-month Project Jump Start Discovery. We will send out one survey per department and we will set up a meeting with each department to validate the information received. We will work to understand the department perspective and needs as the stakeholders of WVOT services which are key to gaining adoption and support.

At the outset of the project, we will conduct a Leadership Alignment workshop. The purpose of the Leadership Alignment Workshop is to align with WVOT leadership on the approach and outcomes for the project. Together, WVOT Leadership and Deloitte will collaboratively confirm the drivers for the project, criteria to drive decision-making on prioritization and sequencing of proposed improvement initiatives. Additionally, the Leadership Alignment Workshop will include the following topics: scope, schedule, deliverables, expected outcomes, and the selection criteria for identifying top business applications.

Selection Criteria for Identifying Top Business Applications (4.2.1.1.1.1 Part 5)

Several selection criteria may be used to identify the top business applications. Typical criteria for identifying top business applications for assessment include business alignment, risk posture, complexity, size, and cost. We will work with WVOT to provide a set of proposed criteria and discuss the degree of importance of the criteria and the confidence factor of the available information. To inform the discussion to select the top business applications, we will investigate WVOT's key drivers for transformation as summarized in Figure 5.

Figure 5. Key Drivers for Transformation to Inform Top Business Application Selection.

Business Drivers
- **Workforce productivity** impeded by complex, aging applications
- Lack of **agility** to flex to meet new business demands and priorities
- Efficiency of the business process (Manual vs Automated)
- Need to implement **regulatory and legislative mandates**

Cost Drivers
- **Shrinking budgets** / increased pressure to do more with less
- **Costly to employ and retain workers** based on skill shortages for aging financial applications
- **Disparate, aging applications** costly to operate and maintain
- **Shift costs from CapEx to OpEx**

Technology Drivers
- **Highly customized systems** make changes complex and time-consuming
- **High technical debt** associated with maintaining legacy systems
- Capitalizing on **enterprise investments for innovation**

Data Drivers
- Dependability and reliability "single source of truth" to inform **data-driven decision making**
- Inability to **optimize leading technologies** (RPA, AI)
- Lack of **centralized data model** increases risk, creates gaps, and decreases confidence in **data security, accuracy and reliability**

Work Performed by Subcontractors (4.2.1.1.1.1 Part 6)

We will not be leveraging subcontractors for the WVOT Assessment and Consulting Services.

1.2 Mandatory Project Requirements (4.2.2)

1.2.1 Phase 1 Requirements (4.2.2.1)

Throughout the duration of Phase 1 and all the mandatory requirements, Deloitte will provide organizational change management support. We will work with WVOT to align to a stakeholder engagement approach and begin execution of an engagement plan, including the establishment of governance structures, performing stakeholder analyses as needed, and identifying and agreeing on the case for change and WVOT OCM priorities.

1.2.1.1 Phase 1 – Project Plan (4.2.2.1.2)

Our Superior Approach: We will provide a holistic project management approach that is grounded on the integration between WVOT stakeholders, and the project delivery teams, focusing on standardization, collaboration, and clear bridge to accomplishing goals

Our Focus on Controls and Areas that Matter: Our Project Management Plan will be agile and fully tailored to WVOT's operating environment

Our World Class Methods: We will follow PMBOK standards and use our in-house Project & Integration Management Framework (PIM) that focuses on operational efficiency through standardization

Within the first month of the project, we will develop the proposed project plan inclusive of key activities, milestones, start and end dates, dependencies, work products, and deliverables. The project plan will be informed by the outputs from the proposed Leadership Alignment Workshop. The project plan will serve as an input to a biweekly status report conducted with the WVOT project manager which will include key accomplishments, next steps, risks and issues, and an updated project schedule.

The project plan and biweekly status report are inclusive of the overall processes prescribed by our proven project management method, Project and Integration Management (PIM), which expands on the leading practices recommended in the Project Management Institute's A Guide to the Project Management Body of Knowledge (PMBOK®). These practices enable us to deliver quality products on time and within budget by adhering to disciplines such as those highlighted in the Figure 6 below. We have used this process successfully to manage hundreds of projects for Federal, State, and Fortune 500 clients.e

The PIM methodology integrates leading practices to create a streamlined system that delivers the project management services required for this project. Our team will apply PIM tools, templates, and sample deliverables to support the collection and analysis of data and information. We have found that using structured methodologies and leading practices significantly reduces risk to the client's mission, increases team productivity, improves quality, and reduces cost.

Figure 6. Overview of Our Project and Integration Management (PIM) Approach.
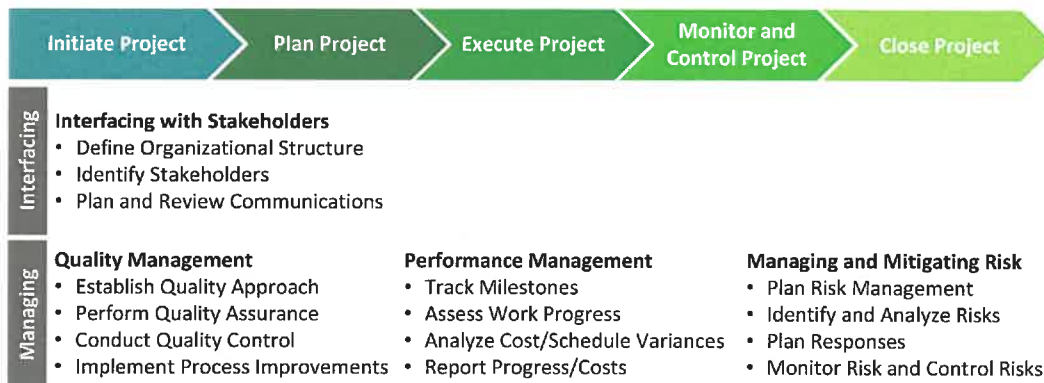
1.2.1.2 Phase 1 – Preliminary Information Technology (IT) Financial Report (4.2.2.1.3.1)

IMPACT

Our Superior Approach: The approach will be built upon industry standard Technology Business Management (TBM) practices applied at multiple government and public sector clients

Our Focus on Controls and Areas that Matter: We will work collaboratively with WVOT to consistently provide hands on learning and coaching opportunities

Our World Class Methods: We will apply proven methods to understand and prioritize IT spend for the organization and build an external business case to showcase WVOT strategic accomplishments leading practice

Deloitte understands the State's Technology Strategy goals will require an understanding of the WVOT's spend on Information Technology (IT) to craft future actions and goals using reasonable financial information. An estimated IT financial report can provide preliminary information and be a key product to baseline the current spend levels and the relevant investments and operation and maintenance (O&M) efforts. Deloitte has found that the preliminary IT spend estimate can provide content to support the prioritization, design, and development of the roadmaps and project plans needed for a Technology Strategy to be organized and sustainable. An estimate of technology spend for WVOT should include an overview of spend by Department as well as holistic view that can highlight projects over $500,000 that are WVOT priorities and technology debt.

Deloitte considers WVOT's request for a preliminary IT financial report as a *Run the Business* value conversation as defined in the TBM Framework (See Figure 7). The TBM framework has provided successful results for organizing IT spend into a common comprehensive view to support assessing IT spend and facilitate the development and execution of Technology Strategies. Deloitte uses the TBM framework in strategic

PROVEN EXPERIENCE

IT Financial Reporting for Preliminary Analysis

- Deloitte has delivered several IT financial reports for IT Offices to support analysis & decision making using the TBM framework

- Deloitte has a large population of Certified TBM Executives who routinely support our clients in IT financial analysis and decision making, providing our clients with trusted advisors with a wealth of experience

- Our experience spans State, Federal, Commercial, and International Cliental for delivery of IT preliminary financial reports built from various degrees of data quality, maturity, and accuracy

- Our practitioners are skilled in financial accounting and IT operations, which is a comprehensive skillset needed in IT financial reporting and analysis

technology management projects for State, Federal, and Commercial clients for its value in providing an industry standard in cataloging IT spend, especially for spend value or debt analysis. Although other frameworks and methodologies exist for organizing IT spend, the TBM Council's TBM framework is a widely accepted and comprehensive approach, resulting in a large community of practice with diverse experience in designs that can help shape TBM utilization for a wide range of OT scenarios.

Figure 7. TBM Framework Overview.
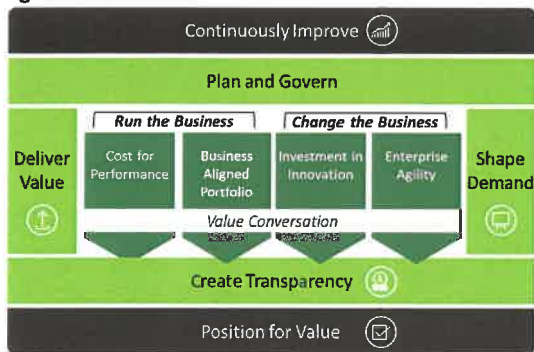
Deloitte will work with WVOT and utilize the TBM framework to produce the preliminary IT financial spend estimate for WVOT provides a foundation for transparency and positions IT to communicate its spend more effectively and showcase its value to its customers and taxpayers. Our preliminary approach targets the *Run the Business* value conversation *Cost for Performance* activities to identify the value-add or debt spend for ongoing operations of the business; this includes investments, O&M, and inbound interagency expenses (where relevant). We will work with WVOT to integrate *Cost for Performance* activities into operational practice.

The core outcome Deloitte will obtain through *Cost for Performance,* is a report on IT spend that address OT's questions:

- How much is being spent on IT?
- Is the spend supporting IT's value conversation or is it technical debt?

Cost for Performance outputs commonly require multiple IT data inputs that span both quantitative and qualitative categories such as but not limited to: IT assets, ongoing projects, and expense data; Resources that support IT (Employees & Contracted); Internal stakeholder as well as functional and operational interviews; Procurement data; and Department multi-year strategic plans, roadmaps, or journey maps. The quality and accuracy of the inputs determine the transparency and completeness of results obtained through the *Cost for Performance* process. For WVOT, Deloitte's tailored approach will prioritize WVOT's 60 calendar day due date and use readily available content to produce the Preliminary IT Financial Report. With the prioritization on speed, Deloitte will work side by side with WVOT to provide data that can address the categories above in a quickly consumable and manageable format to quickly organize and outline WVOT's IT spend into categories that show value or debt to WVOT. Our team will work with WVOT points of contact to gather readily available data; this may include working with WV staff outside of WVOT to gather financial and/or accounting data. Data availability and reliability can impact reliance on the results, as such our team will seek to augment data gaps where possible and document data assumptions. Through the execution of these tasks, WVOT will have gained an understanding of the data needs and be able to replicate these steps each year.

Technical debt is a determination of value to IT and the State and will be a combination of qualitative and quantitative inputs that weight assets to the State's Technology Strategy. Our team can also provide professional experience and judgement if needed to refine WVOT's definition and determination for technical debt. The technical debt definition will also be the baseline for deciding value-add technology. The data universe will consist of an inventory of approved and under consideration technology investments greater than $500,000 and will not provide a total cost view on WVOT's IT spend but will provide a perspective on prioritized large projects.

Depending on the data availability and quality, Deloitte will further tailor our approach, prioritizing the due date, to produce an estimated IT financial report. Our tailored approach will consider the end objective in mind, and our team will look to identify anchor points using data inputs that are reliable and replicable to provide a quality deliverable and where possible also address other common questions sought in the *Cost for Performance* stages:

- Are we delivering the right performance for the best possible price? (i.e., *Technology Spend Analysis)*
- What is needed to run the business? (i.e., *Technology Investment Management*)
- Is there shadow IT? (i.e., *Enterprise Architecture Across the Enterprise*)
- Is my *Run the Business* position sufficient to design *Change the Business* strategies? (i.e., *I-TIPS & Technical Debt)*

Additionally, our team will collaborate with WVOT to also introduce *Business Aligned Portfolio* perspectives to the report to provide a comprehensive view that addresses multiple needs.

Table 4. Sound, Practical, and Feasible Method for IT Financial Report.

Plan to Produce the Preliminary Information Technology (IT) Financial Report
How Deloitte Will Accomplish the Tasks Involved
Data Management
• Analyze data received, supplemental data request for key data inputs needed to for the estimated financial report
• Assess all data received in relation to the data's ability to support report
• Consolidate supporting data for OT's estimated financial report
• Measure IT value and debt to WVOT's factors and alignment to the State's Technology Strategy
• Extract Transform Load (ETL) efforts to organize the various data inputs into standard formats for consolidation and aggregation
• Matrix aggregated results to relevant reporting attributes
Report Development
• Assess consolidated data using reporting attributes: Holistic, Departmental, Value-add, Debt
• Begin aligning assessment results into an OT preliminary IT financial estimate report outline

Plan to Produce the Preliminary Information Technology (IT) Financial Report
• Test report results for accuracy and quality
• Finalize report and provide to WVOT
• Brief WVOT on final Preliminary IT Finance report

Our Commitment to Collaborate and Instruct the State on how to Sustain Capability
• Provide hands on learning opportunities around the TBM Framework for WVOT
• Provide coaching to WVOT on how to apply applicable methods and frameworks to sustain supporting capability to produce future IT Financial Reports
• Collaborate with WVOT on applicable initiatives to incrementally improve IT financial reporting in the future

Deliverables (D) and Work Products (WP)
Preliminary Information Technology Financial Report (D) - This report provides a holistic and departmental view of IT spend on OT's inventory of approved and under consideration technology investments greater than $500,000.

1.2.1.3 Phase 1 – Service Rates Catalog (4.2.2.1.3.2)

IMPACT

Our Superior Approach: We will apply our Data Management, Analysis, and Assessment (DA2) approach to provide a repeatable and low risk method for WVOT to quickly assess financial information

Our Focus on Controls and Areas that Matter: We will work side by side with WVOT to address gaps in financial data to produce informed and actionable recommendations

Our World Class Methods: We will apply an industry standard benchmark data approach to compare WVOT service rates against similar organizations in size and complexity to inform revisions in rates

Within the first 90 days of the contract award, Deloitte will work with WVOT to supply an assessment of its Service Rate Catalog, which details the evaluation and rationalization of its current rates and propose revisions where relevant. Our assessment will take advantage of preliminary TBM utilization work performed for the Preliminary IT Financial Report and provide the assessment results in the TBM framework, to the extent possible and reliable. The service rate catalog assessment contributes to the State's Technology Strategy by showing the State is a good steward of taxpayer money by providing financial insights to leadership to make incremental adjustments that improve WVOT's value conversation. Deloitte's approach to WVOT's service rate card assessments uses our tailored Data Management, Analysis, Assessment (DA2) framework to provide a comprehensive analysis that addresses OT's expectations within the time allotted.

Our DA2 framework is a multi-layered approach that is an organized approach to target the end objective with a quality deliverable. Each stage within the framework is centered around the deliverable (Service Rates Catalog Rate Assessment), as the deliverable expectations (listed above) are prioritized along with the 90-day timeline. This centric view facilitates the prioritization of data, analysis, and reporting and organizes efforts strategically and efficiently. DA2 further organizes a set of actions for each stage within the framework that are scalable and flexible to adapt to the WVOT's environment and data delivery capabilities. The collective actions for each stage provide the foundation to the final assessment provided to WVOT's leadership.

PROJECT SPOTLIGHT

Army Core of Engineers (ACE)

Deloitte assessed ACE's IT service rates, which included an analysis of the practices, processes, and method to determine total costs. The assessment was conducted to provide ACE with a view on the alignment of its practices to industry standards and appropriate deployment of methodologies. Our assessment provided ACE leaders with reliance on its rates and their accuracy in support of decision making and strategy designs. Deloitte provided ACE with Subject Matter Specialists to perform the assessment in the time allotted. Our team provided observations and a final assessment for ACE leaders to use in designing methodology refinements and enhancements.

The Data Management stage has three core actions that are completed to progress to the next stage: Planning, Gathering, Consolidation. The Planning efforts outline actions to organize the team, identify potential new data

inputs needed, and the timeline to maintain an efficient and strategic approach. The Planning output is a summary of data needs to be requested of WVOT and timelines for each DA_2 stage.

Figure 8. DA_2 Framework.

Upon receipt of new data inputs, the Gathering actions are an analysis of all the data inputs received to date and their support to the deliverable. Additional Gather actions include the cataloging of data inputs received and their attributes where relevant, examples include source, query instructions, owner, etc. Gathering actions are scalable to contract or expand depending on the data attribute availability and the value in capturing data input attributes for subsequent deliverables. Our team uses the Planning output to help determine which Gathering actions should be scaled.

The Data Management stage is concluded with Consolidation actions which are a preliminary analysis of the data inputs to the deliverable and their value contribution. Our team will analyze data inputs quality, value to support data reliance, and note data assumptions and gaps. Consolidation actions are a combination of technical actions and qualitative and quantitative decisions. Data gaps or absence of information will be captured as well. The conclusion of Consolidation actions progresses our team into the Analysis stage.

The Analysis stage's objective is a comprehensive review of the data inputs received that progressed past the deliverable value contribution vetting stage and building an output to conduct the service rate assessment. The Analysis stage is also scalable, and our team will measure the data inputs to determine if the analysis efforts should be contracted or expanded. Common analysis efforts include but are not limited to:

- Completeness and Accuracy: data quality, quantity, and Extract-Transform-Load (ETL) requirements for data completeness

- Use Case: Direct support that provides immediate observations or indirect support that may require additional data intersections and or client input

- Result/Observation Triangulation: validating results using existing or new matrixed data results to establish data reliance and accuracy positions.

- At completion of the Analysis stage, our team will progress to the Assessment stage.

- The Assessment stage uses three primary objectives to derive the actions needed:

- Benchmarking: Alignment of WVOT's service rates to acceptable practices

- Report: Consolidation of assessment observations and rationalization

- Debrief: Presentation of final results

In Benchmarking, Deloitte will determine the relevant benchmarks to assess WVOT's service rate catalog against in support of developing observations and subsequent rationalization or proposed revisions working with the WVOT team. Benchmarking is also a scalable effort that may include but not limited to assessment to common industry standards (where possible and relevant), comparison to Deloitte's prior service rate inventory, Subject Matter Specialist (SMS) professional judgement to sound and acceptable rate practices, etc. The output from benchmarking is list of observations that are cataloged for their contribution to rationalization, proposed revision, or concluded evaluation.

Post Benchmarking, our team will organize our content working collaboratively with WVOT, into a consumable report that provides WVOT with a Service Rate Catalog assessment that supports the State's Technology Strategy. Depending on data availability and timeliness of receipt will impact the results of the Service Rates Catalog assessment, where possible our team will document relevant assumptions and data gaps. Our team will collaborate with WVOT to consolidate observations into a hierarchy of observations to provide a multidimensional view of the observations gathered. Multidimensional view examples include graphic representation of results in a consolidated view to summarize observation impact; mapped view of observations to source; ancillary observations derived as part of the assessment, independent of the Assessment scope, with high relevancy to

WVOT leadership; etc. The final report will be debriefed with WVOT Leadership by our team and will include a rationalization and evaluation of all existing and proposed service rates.

Table 5. Sound, Practical, and Feasible Method for Service Rate Catalog.

Plan to Produce the Service Rate Catalog Assessment
How Deloitte Will Accomplish the Tasks Involved
Data Management   • Plan for approach and execution, gathering of new data (e.g., rates, rate calculation methods and support material, etc.), consolidation of data received   • Document data gaps and or absence of data   • Organize data inputs into a data contribution list to support analysis   • Manage time and data inputs to ensure timely delivery of Service Rate Catalog assessment   **Analysis**   • Conduct detailed evaluation of received data with observations as an output to support the assessment   • Review of data quality and accuracy to support reliance on results   • Conduct ETL to organize the data into consumable formats for analysis   • Evaluate gaps and culmination of assumptions for final report   • Perform analysis of practices, processes, and results to commonly accepted methods, standards, and practices   **Assessment**   • Evaluate observations and consolidation into a report that provides an assessment of WVOT's Service Rate Catalog   • Perform assessment to consider value, contribution to results, and maturity and system capabilities   • Develop observations to consider WVOT and the State's priorities for reporting, existing key performance indicators, and other existing utilization of the service catalog rate inputs and outputs   • Perform assessment to include review(s) by subject matter specialist to provide perspective, observations, and recommendations where relevant
Our Commitment to Collaborate and Instruct the State on how to Sustain Capability
• Share related benchmarking data for WVOT to reference in the future to sustain capability   • Perform side by side information sessions with WVOT on the applied method to develop revised service rate catalog   • Inform on the DA_2 framework and processes, so WVOT can replicate this analysis as needed   • Work side by side with WVOT to identify data gaps and data quality during the Data Management and Analysis phases of the DA_2 framework and performing facilitation with WVOT to improve upon the data collection practice
Deliverables (D) and Work Products (WP)
Service Rate Catalog Assessment (D) - Report that that provides an evaluation and rationalization of its current rates and propose revisions where relevant. The assessment will provide the results in the TBM framework, to the extent possible.

1.2.1.4 Phase 1 – Information Technology & Investment Portfolio System (I- TIPS) Analysis (4.2.2.1.3.3)

IMPACT

Our Superior Approach: Our approach will leverage a supporting suite of accelerators to have the team focus on analysis

Our Focus on Controls and Areas that Matter: Support by multiple application layer modernization SMEs that understand how to establish application portfolio management and strategy capabilities.

Our World Class Methods: Application of industry leading tech trends for digital government transformation offering strategies to accelerate rate of progress

Leveraging our collective initial Project Jump Start Discovery, we will collaborate with WVOT to complete data collection and validation, inventory, risk, and financial analysis of the top 100 business applications through the existing I-TIPS. As discussed in the 'Selection Criteria for Identifying Top Business Applications' as part of Section 1.1.1, we will work with West Virginia to identify the top 100 business applications, based on prioritization of factors spanning areas such as spend, complexity, size, and alignment to the business.

We recognize the importance of collecting and organizing data being a fundamental step for application portfolio strategy, it is crucial to emphasize on the following parameters for successful data capture including:

- **Relevance:** Identify factors relevant to application portfolio strategy and collect adequate data to make the process efficient and reliable
- **Standardization:** Normalize the data that is collected in multiple formats across different lines of businesses or regions to improve data consistency
- **Availability:** Ensure availability of minimum viable high-quality data. If huge data gaps are identified, reach out to the relevant stakeholders to complete the necessary information

We will employ our repeatable application data capture process applied on hundreds of previous application portfolio assessments which includes the following components.

- **Comprehensive Data Collection Strategy:** Identifying the required data, identifying stakeholders, and leveraging pre-existing data collection templates
- **Data Collection Methodology:** Leveraging manual data entry or automated tools / processes for supporting interviews, surveys, and data templates
- **Data Cleansing:** Checking data quality and identify gaps in the current data set
- **Application Inventory:** Develop baseline inventory to manage application portfolio

We will leverage the data already collected on I-TIPS for Applications and Infrastructure as defined in ESS-PMO-003.001 and ESS-PMO-003.002 respectively, to build the basis for application personas. Based on the overall collected data, we will work with WVOT on identifying the data with the highest relevance and availability based upon the typical application and business attributes conducted informed by other application portfolio assessments and guided by the applicable fields to conduct analysis and reporting on contractual and service breakdowns, applications by category, key technical information, and business criticality, as shown in Figure 9.

PROJECT SPOTLIGHT

Internal Revenue Service (IRS)

The IRS's application portfolio of over 200 systems supports critical filing season tax processing and benefits programs for the United States. Their portfolio of legacy applications required an application portfolio rationalization to develop a roadmap to reduce the complexity of their application footprint by modernizing their aging systems through legacy code conversion and using modern technologies such as IaaS, PaaS, and SaaS. Deloitte conducted an inventory and assessment building a cross-functional team across the enterprise to identify the technical health and business alignment of the overall application portfolio. Our support was inclusive of governance, future state architecture development, and creation and management of an Integrated Project Team (IPT) across the IT organization. Our efforts led to an identified pipeline of initiatives to modernize legacy systems.

DID YOU KNOW?
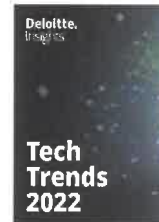
At Deloitte, we continuously publish technology perspectives informing how we help clients innovate and transform. These include our annual Tech Trends and perspectives like Digital Government Transformation, which examines digital technology's ability to transform how the public sector delivers services and offers strategies for government to accelerate their rate of progress.

Figure 9. Typical Technical and Business Attributes to Build a Holistic Application Persona.

Inputs for Determining Business Attributes		Inputs for Determining Technical Attributes		
1. Business Alignment	2. Risk and Regulatory	3. Application Architecture	4. Infrastructure Architecture	5. Host Attributes
1. Business Criticality	18. Level of Data Residency Compliance	23. Application Architecture Knowledge Level	42. Compute / Server Hardware Architecture	54. Server Type
2. Customer Facing	19. Data Classification	24. Application Hardware Dependency	43. Application Stability	55. Operating System
3. Application Status / Lifecycle Stage	20. App Regulatory and Contractual Requirements	25. App: COTS or Not	44. Virtualization State	56. CPU Cores
4. Availability Requirements	21. Impact due to Data Loss	26. App Cloud Readiness (COTS Only)	45. Storage Decomposition	57. Memory
5. Support Level	22. Financial Impact due to Unavailability	27. Source Code Available (Non-COTS only)	46. FLASH Storage Used	58. Internal Storage
6. No. of Prod. Environments		28. Programming Language (Non-COTS only)	47. CPU Requirement	59. External Storage
7. No of Non-Prod. Environments		29. Component Coupling	48. Memory (RAM) Requirement	60. Storage Type
8. HA/DR Requirements		30. Cloud Suitability of External Dependencies	49. Mainframe Dependency	61. DB Engine
9. Business Function Readiness		31. Volume of External Dependencies	50. Desktop Dependency	62. DB Storage
10. RTO Requirements		32. App Server Cloud Readiness	51. App OS / Platform Cloud Suitability	63. Environment
11. RPO Requirements		33. App Load Predictability / Elasticity	52. Database Cloud Readiness	64. Virtualization State
12. Deployment Geography		34. Degree of Obscure Protocols	53. Integration Middleware Cloud Readiness	
13. Level of internal governance		35. Code Design		
14. Number of Internal Users		36. Application-Code Complexity / Volume		
15. Number of External Users		37. Financially optimizable Hardware Usage		
16. Estimated app growth		38. Distributed Architecture Design or Not		
17. Impact to Users		39. Release Process (Automated / Manual)		
		40. Latency Requirements		
		41. Ubiquitous access requirements		

As part of the Phase 1 I-TIPS Analysis and subsequent activities in Phase 2 I-TIPS around application portfolio assessment, we will leverage our Application Portfolio Strategy (APS) Tool which provides a proven tool to help determine the future state application portfolio landscape of an organization by analyzing the current state application inventory through an understanding of business needs, requirements, and priorities. The purpose of the Application Portfolio Strategy (APS) tool is to collect information from the user regarding assessment of each application in the organization's application portfolio. This collected data will be used to evaluate each application's impact on the business and on organization's current technology. The Application Portfolio Strategy Tool can help analyze the current state application inventory. Based on disposition recommendation developed with APS tool, the future state application portfolio landscape can be determined. The Dashboard View can provide IT management with application health metrics to identify business capabilities at risk, drive investment decisions, identify rationalization opportunities. As part of our I-TIPS Analysis we will provide West Virginia the APS tool inventory of collected information and resulting dashboards produced through the tool.

Figure 10. Sample Outputs from the Application Portfolio Strategy (APS) Tool.
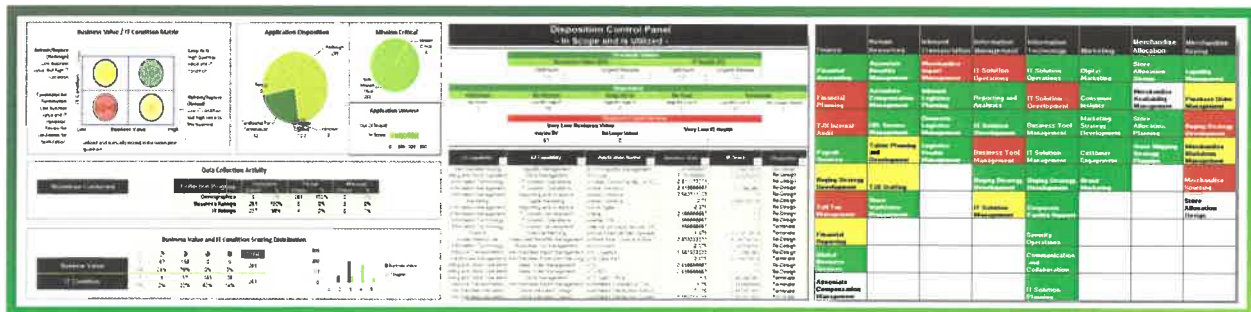
Table 6. Sound, Practical, and Feasible Method to Complete Information Technology & Investment Portfolio System (I- TIPS) Analysis.

Plan to Conduct Information Technology & Investment Portfolio System (I- TIPS) Analysis
How Deloitte Will Accomplish the Tasks Involved

Establish the Application Baseline
- Review the existing material on the application portfolio within the scope and identify gaps
- Collect the relevant information into our Application Portfolio Strategy Tool
- Understand the hierarchical capabilities of the organization's business functions
- Map the applications to the business functions and capability

Define Business Value
- Assess the technical attributes like software, hardware, application dependencies etc. and use it to rate and score the compiled in-scope applications
- Assess the business value attributes like business criticality, utilization, complexity etc. and use it to rate and score the compiled in-scope applications
- Gather financial data based on the cost components for in-scope applications
- Assess the value of each application based on its business value and IT condition
- Carry out any further discussions to further assess the value of the applications and bridge data gaps

Our Commitment to Collaborate and Instruct the State on how to Sustain Capability

- Conduct working sessions with WVOT on the assessment of the applications as part of the portfolio to include quantitative preliminary scoring as well as inclusion of gathered qualitative information
- Provide coaching with applicable application portfolio strategy SMEs to discuss future options for the WVOT application portfolio
- Conduct learning sessions on how to develop a repeatable and mature application portfolio management and strategy capability

Deliverables (D) and Work Products (WP)

Information Technology & Investment Portfolio System (I- TIPS) Analysis (D) – I-TIPS Analysis deliverable will include the application inventory of the identified top 100 business applications on the applicable technical and business attributes collected through discovery pertaining to risk and business criticality. The deliverable will include a mapping of the applications to the organization's business functions. The deliverable will include an overview of the related service and license contract information and collected financial information.

1.2.1.5 Phase 1 – Five-Year Strategic Technology Roadmap (4.2.2.1.3.4)

IMPACT

Our Superior Approach: Holistic approach toward strategic plans and roadmaps, supported by industry leading expertise for state governments to work side by side with WVOT on the development of their roadmap

Our Focus on Controls and Areas that Matter: We will work collaboratively to co-develop long-term controls to build a sustainable roadmap that WVOT can drive and govern with the requisite focus on a sustainable and supportable governance structure in place to execute against attainable milestones

Our World Class Methods: Our approach includes application of supporting vision lab with support of supporting suite of methods and candor from industry leaders

Utilizing the initial collaborative Project Jump Start discovery effort to define WVOT's current state, the team will complete the assessment of WVOT's Key Capabilities as part of the Two-Phase Strategic Plan. In addition, Deloitte will work intimately with WVOT with predefined questions and criteria to evaluate and align business function and IT from mission through CIO goals. The team will develop a Five-Year Strategic Technology Roadmap, key items of the deliverable will include:

THE DELOITTE TEAM

Oregon Lottery - Information Technology Operating Model Assessment (ITOM)

Oregon Lottery identified the need to transform their IT operating model to evolve to continue serving the changing needs of the Business by establishing IT as a Business Partner and investing in building capabilities that will help achieve Lottery's enterprise vision and strategy for enabling the next generation of gaming. Deloitte led an IT capabilities assessment across all capabilities as part of the Deloitte Technology Capability Model, conducted a comprehensive IT operating model assessment, and developed a resulting roadmap to achieve the agreed upon future state operating model. Deloitte successfully helped Oregon Lottery transition to their future state operating model to implement right-speed IT, where business value is balanced against risk and flexible operations, where legacy is protected, and innovation is cultivated.

- **Vision & Mission:** Delivers a formal summary of the value and aim for the IT organization's direction

- **Values:** Provides a succinct purpose and how we will define and track the impact of our progress

- **Strategic Priorities:** Identifies value driven focus for the IT department

- **Goals:** Endpoint(s), accomplishment(s), or target(s) an organization seeks to achieve for the development, operation, and management of IT in the short-term or long-term and measured by successful accomplishment or failure to accomplish

- **Capabilities (Focus on Key Capabilities as Part of Assessment):** An ability to apply knowledge or skillset to deliver, operate, or manage technical services that support business needs

- **Improvement Initiatives:** Includes recommendations resulting from Key Capability Assessment.

The team will work closely with WVOT to define the Strategic View, as shown in Figure 11, by conducting a Vision Lab with WVOT leadership. Using the Key Capability Assessment based on the Technology Capability Model, we will align the Key Capabilities and the recommended Improvement Initiatives as part of the Strategic Technology Roadmap.

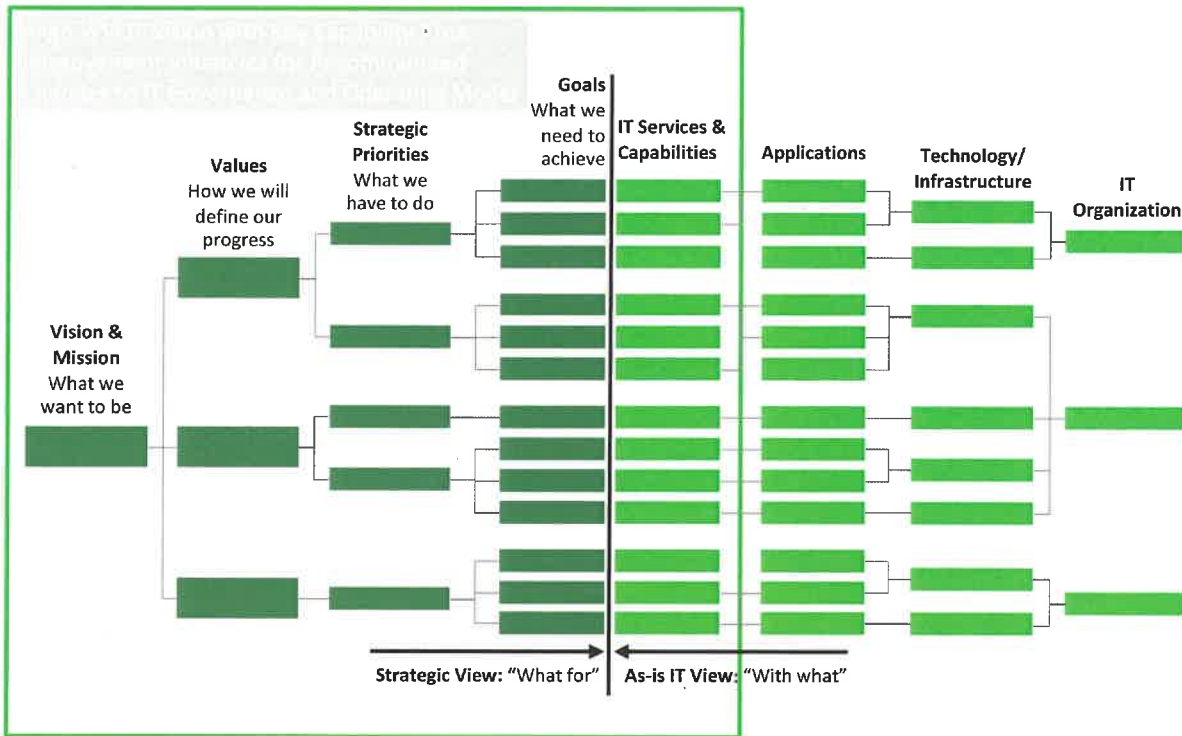**Figure 11. Five-Year Strategic Technology Roadmap Context.**

Table 7. Sound, Practical, and Feasible Method to Create the Five-Year Strategic Technology Roadmap.

Plan to Create Five-Year Strategic Technology Roadmap
How Deloitte Will Accomplish the Tasks Involved

Complete Key Capability Assessment
- Finalize assessment of Key Capabilities leveraging the Deloitte Technology Capability Model
- Develop recommendations on level of maturity and next steps to mature by defining Improvement Initiatives

Establish the Future State vision
- Summarize findings from Key Capability Assessment to provide to WVOT leadership
- Conduct Leadership Vision Workshop to develop clear and concise vision and goals to identify drivers and KPI metrics for success moving forward
- Summarize findings from vision workshop to share with WVOT leadership to validate for input into Five-Year Strategic Technology Roadmap

Align Key Capability Assessment and Future State Vision
- Align WVOT Goals with identified improvement initiatives to prioritize and refine
- Define prioritized Improvement Initiatives selected for Five-Year Strategic Technology Roadmap including Overview, Outcomes / Value delivered, Expected Delivery Timeline, KPIs, Dependencies, Key Considerations and Recommendations, Sequenced Order of Activities, and Implementation Considerations
- Develop draft Five-Year Strategic Technology Roadmap, socialize with WVOT leadership for finalization

Our Commitment to Collaborate and Instruct the State on how to Sustain Capability
- Conduct Deloitte Tech Trends session to collaborate on potential applicability for the development of the Five-Year Strategic Technology Roadmap.
- Collaborate with WVOT to generate action plan to maintain and refesh five-year strategic technology roadmap based on previously successful State strategic technology roadmap rollouts

Deliverables (D) and Work Products (WP)

Five-Year Strategic Technology Roadmap (D) – The five-year strategic technology roadmap provides a summary of the defined WVOT vision and the related recommendations / improvement initiatives to mature IT governance and the operating model.

1.2.1.6 Phase 1 – Annual Information Technology (IT) Report (4.2.2.1.3.5)

IMPACT

Our Superior Approach: Begin with the end objective and integrate designs to provide transparency, accuracy, and reliability on the results

Our Focus on Controls and Areas that Matter: We will work side by side with WVOT to provide increased executive level insight into the progress into the IT governance and strategic planning efforts of the State CIO through the annual IT report into a repeatable and sustainable process

Our World Class Methods: Culmination of methods leveraged through phase 1, Application of OCM principles to develop partnerships across the state demonstrating the progress and impact to the business

At the end of the period of performance Deloitte will provide an IT report with the WVOT team collaboration, which annualizes WVOT's IT spend at an executive level to provide insights into IT governance and strategic planning that includes both financial and metrics-based factual data that can support decisions on allocation of resources across WVOT and its technology efforts. The report will include information relating to IT vision and strategy, cybersecurity, IT investment, WVOT enterprise service review, IT excellence in WV and applicable reports, to the extent possible and reasonable. Deloitte will produce this report in support of the State's Technology Strategy targeting incremental change that increases WVOT's goals to achieve operational excellence. Our team will leverage the work performed in collaboration with WVOT at the start of the project (*i.e., Preliminary IT Financial Report, Service Rates review, I-TIPS, 5yr roadmap, etc.*) to provide the foundation for establishing comprehensive reporting that creates the capability to analyzing IT spend in an aggregated view and can increase the speed of review-to-action.

Our approach to developing an IT report that annualizes financial and operational data (including metric-based results) is

PROJECT SPOTLIGHT

Annual IT Report Delivery: Federal, State, Private Sector

- Deloitte delivers annual IT financial reports to many clients to support a range of needs, from IT spend analysis to Return on Investment analysis

- Our team of IT financial reporting specialists have designed and delivered annual IT reports scaled to project and program financials to enterprise portfolio views that provide a holistic view on IT spend performance and health

- Deloitte has libraries of reporting examples and use case considerations that are presented to clients as recommended starting points for reporting, simplifying design and iteration and decreasing time to results

the following three stages: Requirements gathering, Data Management and Report Development. This three-stage approach outlines the effort required and organizes activities needed from our team and WV's team. Our experience in developing year end IT reports will be used to bring in templates (requirements sheets, project plans, etc.), sample reports, use cases (intended report use: Legislative, IT Business Management, Budget, etc.), as well as an understanding of what data is required to meet the end objective.

Requirements gathering stage begins with capturing the reporting priorities and objectives from WVOT Leadership to create reporting use cases that align to the five-year State Technology Strategic Roadmap. The IT Annual Report use case will outline requirements, expectations, and act as a baseline for data inputs and measurements of data input quality and capability. Figure 12 is a sample use case from our use case library that can be a design starting point for WVOT. Our team will also revisit the prior deliverables to incorporate

Figure 12. Sample Use Case for Annual Report.

Deloitte.

Review Financials

UC: Review and manage IT spend and variance

Typical Challenges and Consequences

Challenges	Consequences
• Finance-centric variance reports lack IT context	• "Use it or lose it" spending behavior drives waste
• Fixed IT cost structure doesn't fluctuate with business demand	• No visibility into fixed and variable cost across IT spend areas

Method Approach

- Single integrated view of fixed vs. variable costs across IT functions and technologies
- Granular self-service analytics for budget owners and decision makers
- Project and labor spend levers exposed in same pane of glass as variance to plan or budget

Questions Answered

- How does a Cost Center adjust their Forecast to hit target?
- Is a variance real or caused by mis-categorization?

them into the report results where possible and relevant. The use cases will also capture preliminary assumptions to quantify and or qualify data and report expectations. This provides both WVOT and our team with an IT Annual Report project roadmap for data needs, key financial and operational data points, and final report.

Our team, working in collaboration WVOT team, will progress into the Data management stage and begin IT financial and operational data preparation with:

- Alignment of cost and resource data, where relevant, to reporting hierarchies (Department, TBM, Portfolio, etc.), attributes, and relevant metadata using existing WVOT data attributes
- ETL and consolidation of data needed to support performance and health reporting that includes financial and metric-based data
- Validation of data to reporting results to confirm reliability and accuracy results

Data management is also a scalable effort and will adjust based on WVOT priorities and report requirements. Where possible our team with WVOT team will scale our delivery to include graphic representation of results to increase report capabilities; our team will work with the WVOT Leadership and team to identify reporting priorities to facilitate determination of contracting or expanding efforts.

Report development is the final stage and is the consolidation of the requirements and data inputs into a consumable format that is a comprehensive report on WVOT's IT spend by categories and hierarchies captured in the requirements to support executive level views. Where possible, we will include:

- Trends using the Preliminary IT Financial Report
- I-TIPS report subsequent action taken by WVOT and impact by key drivers
- Service Rates Catalog review and subsequent action taken by WVOT and impact

Our core objective in developing the Annual IT report is to produce a product that is functional, supports WVOT decision making, and builds a strong business case for the support of WVOT priorities. Our team, along with WVOT, will prioritize requirements and organize the report development, and provide an iterative view on the results for WVOT Leadership to view progress.

Table 8. Sound, Practical, and Feasible Method for Annual Information Technology Report.

Plan to Produce the Annual Information Technology Report
How Deloitte Will Accomplish the Tasks Involved
Requirements Gathering   • Gather report requirements from WVOT leadership   • Consolidate requirements into use cases that provide report development direction   • Assess use cases to WVOT system and data capabilities and refine   **Data Management**   • Collect data from prior deliverables as well as new data needed to support   • Prepare data inputs for use in report development   • Consolidate and perform necessary ETL to organize and structure the data inputs for reporting   • Assess gaps and capture assumptions on data capabilities   **Report Development**   • Design iterations on report development based on use cases derived from requirements gathering sessions   • Development of report to align to use case requirements   • Refinement of report to provide content in support of decision making and IT spend analysis   • Debrief on final report to OT Leadership to convey results, organization, and content
Our Commitment to Collaborate and Instruct the State on how to Sustain Capability
• Work side with side with WVOT on maintainance approach, which includes data management and report creation practices, facilitating the WVOT team to refresh and update the annual IT report on a periodic basis.
Deliverables (D) and Work Products (WP)
Annual IT Report (D) - An IT report that annualizes WVOT's IT spend at an executive level with insights into IT governance and strategic planning that includes both financial and metrics-based factual data that can support decisions on allocation of resources across WVOT and its technology efforts. The report will include information relating to IT vision and strategy, cybersecurity, IT investment, WVOT enterprise service review, IT excellence in WV and applicable reports.

1.2.2 Optional Phase 2 Requirements (4.2.2.2)

We understand that these are optional services, and we will need to work with WVOT to finalize the scope of these services during Phase 1. We provide an initial approach for each of the areas for Phase 2 below.

1.2.2.1 Phase 2 – IT Governance Implementation (4.2.2.2.1)

IMPACT

Our Superior Approach: Our governance approach will enable an efficient IT service delivery lifecycle that will establish agreements on decision-making situations, roles, responsibilities, and operating cadence for any existing or proposed governing bodies

Our Focus on Controls and Areas that Matter: We will partner with WVOT in not only providing new and updated IT Governance policies and procedures for the organization but in weaving OCM into the effort to begin execution on transformation initiatives for the organization

Our World Class Methods: We will use Deloitte's IT Governance Framework that has ready to use WVOT templatized charters, process flows, RACIs, and other governance related work products spanning industry standard practices across governance decision domains and structures

We understand WVOT's desire to create a new strategic technology governance and management capabilities and services. We assess, design, plan, and implement a strategic technology governance (incremental adjustments) that includes measurable outcomes. Based on the Key Capability assessment findings, we will improve the existing Governance Framework by identifying the list of key processes and procedures elected for definition and refinement.

We will leverage our IT Governance Framework, as shown in Figure 13, includes a set of leading practices for IT Governance with sample charters, industry standard, process flows, work product templates, and roles and responsibilities. We use these tools to review existing WVOT governance processes. The Framework consists of three major components: governance decision domains, governance organizational structure, and a set of high-level governance processes.

Over time the IT Governance Framework will evolve to synchronize, integrate with, leverage, and in some cases replace the existing governance bodies and processes. We will leverage the materials and findings collected through the initial discovery and work with WVOT to prioritize primary gap areas for policy analysis to inform proposed new/updates to policies and procedures informed by industry standard roles and responsibilities, process flows, and sample work products.

The IT Governance Domains, Bodies, and Processes together make up the IT Governance Framework. Through their integration WVOT

PROJECT SPOTLIGHT

FBI OCIO IT Modernization Initiative (ITMI) Deloitte established a comprehensive IT Governance framework, methods and processes that enabled the Office of the CIO to objectively evaluate strategic alignment, technical viability and financial readiness of a $200M+ investment in a portfolio of 46 modernization projects across 4 PMOs – Cloud, Data Analytics, Networking and Cybersecurity. As part of this effort the team developed a suite of tools that included: Investment Prioritization Framework, Strategic Alignment Scorecard, Technical Alignment Scorecard, Portfolio Heatmap, etc. **Impact:** The tools and process improvements enabled the CIO, CFO and other executives across the organization to make data driven IT investment decisions to maximize the impact to the mission. FBI OCIO recognized the process improvements Deloitte implemented in governing FBI's IT Modernization Program as striking the right balance of oversight, compliance, and agility needed, and in 2021 decided to use it as a model for Enterprise IT Governance overseeing all future IT investments.

will be able to answer the key questions relevant to IT Governance: what types of decisions are to be made, who makes those decisions, and how those decisions are made.
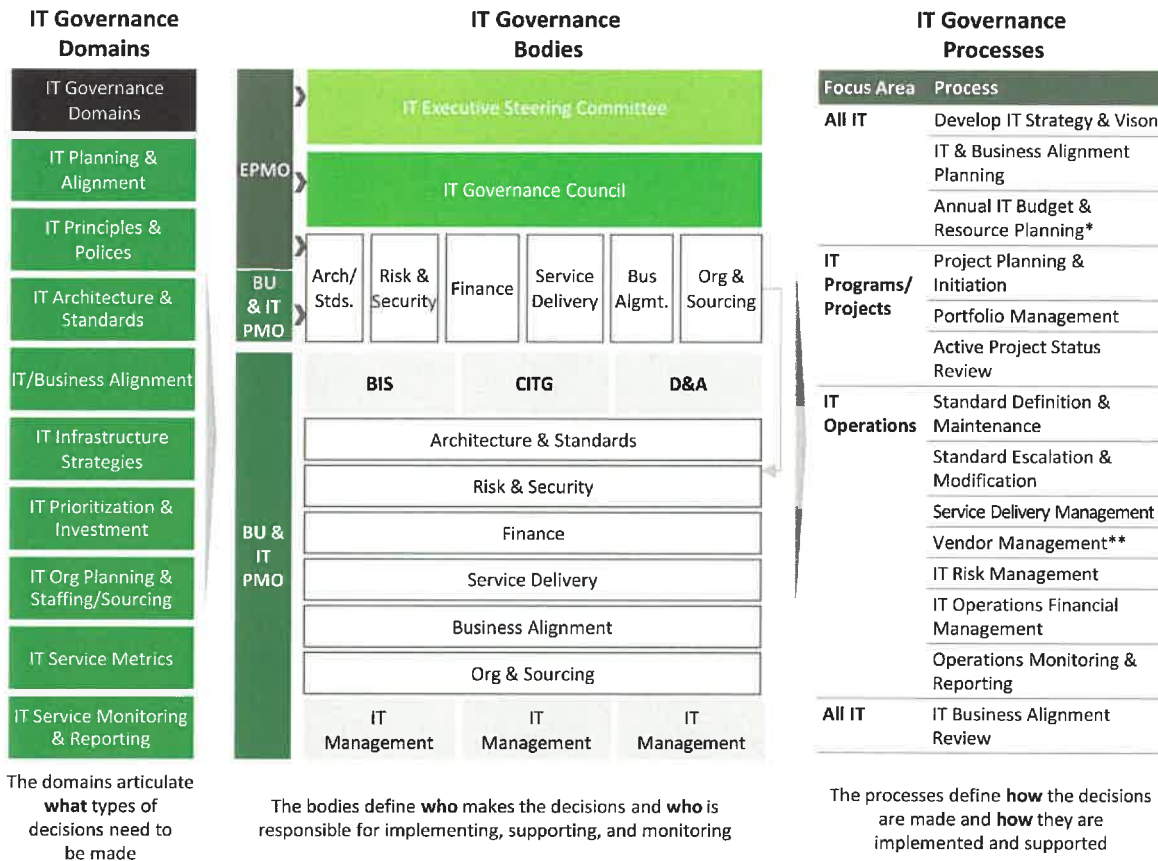
Figure 13. IT Governance Framework Used to Support Definition of Policies and Processes.

IT Governance Domains	IT Governance Bodies	IT Governance Processes

The domains articulate **what** types of decisions need to be made

The bodies define **who** makes the decisions and **who** is responsible for implementing, supporting, and monitoring

The processes define **how** the decisions are made and **how** they are implemented and supported

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Within three months of the start of Phase 2, we will provide updated policies and procedures aligned to the IT Governance using Deloitte's IT Governance Framework tools.

Table 9. IT Governance Policies and Procedures.

Plan to Update IT Governance Policies and Procedures
How Deloitte Will Accomplish the Tasks Involved

Analyze and Prioritize the IT Governance Policies
- Utilize the Key Capability Assessment completed in Phase 1 to assess the alignment to IT Governance Framework
- Collaborate with WVOT to assess current IT governance policies and procedures in alignment with the IT Governance Framework
- Identify the IT Governance Policy Gaps to meet the State's technology vision under the direction of the State Chief Information Officer
- Collaborate with WVOT to prioritize primary gap areas

Develop New and Revised Policies and Procedures
- Create New IT Governance Policy documents where needed
- Modify existing IT Governance Policies and procedures where a gap is identified

Our Commitment to Collaborate and Instruct the State on how to Sustain Capability

- Work side by side with WVOT on the identification of the most relevant IT governance domains, bodies, and processes
- Provide hands on learning opportunities, walking through applicable templates and accelerators to stand up core IT governance functions
- Conduct working sessions with IT Governance SMEs on how to best tailor leading practice to WVOT environment

Deliverables (D) and Work Products (WP)

Plan to Update IT Governance Policies and Procedures
• IT Governance Policies and Procedures (D) – Policies and Procedures detailing the industry standard roles and responsibilities, process flows, and sample work products are delivered to meet the State's technology vision

1.2.2.2 Phase 2 – Information Technology & Investment Portfolio System (I- TIPS) (4.2.2.2.2.2)

IMPACT

Our Superior Approach: Our approach allows WVOT to inventory, assess, and analyze their app portfolio to make more informed decisions based upon technical health, value, risk, and total cost of ownership

Our Focus on Controls and Areas that Matter: We will work in collaboration with WVOT to coach on the required application portfolio strategy and management processes and supporting activities to build sustainable and ongoing rationalization activities with the required stakeholder buy-in

Our World Class Methods: Our Application Portfolio Strategy (APS) Tool will provide various benefits to WVOT including the evaluation of each application's impact on the business and on the organization's current technology in an accelerated timeline, as well as help determine the future state application portfolio landscape

We will provide a complete application rationalization and total cost of ownership (TCO) of the IT business applications inventoried in Phase 1. The analysis and reporting will be in alignment with TBM Taxonomy and will provide a comprehensive report of the rationalization findings. Rationalization findings include overall portfolio scoring based on technical health and business value of the applications in addition to a recommended application modernization path with justification based on the overall application persona.

As part of Phase 2 – I-TIPS we will leverage the outputs from Phase 1 – ITIPS-Analysis as well as the beginnings of the build out of the TBM Taxonomy developed through Phase 1 such as the Phase 1 – Service Rates Catalog.

As part of determining the TCO, we will look at the associated cost categories, IT towers, and IT sub towers, based on availability of financial information, as part of the WV TBM Taxonomy to inform the related application TCO. We will conduct TCO on the highest priority applications looking at our common set of TCO running cost and one time cost categories as summarized in Figure 14.

PROJECT SPOTLIGHT

Defense Health Agency (DHA) Application Rationalization

The DHA was undergoing an enterprise modernization effort around a large new Electronic Health Records (EHR) procurement and modernizing IT systems/business processes, which included defining future state technical architectures, and modernizing the technical foundation of the enterprise while, in parallel, rationalizing application portfolio across 3000+ applications. Deloitte created a single source of truth for its system / infrastructure portfolios and developed an analytic and business intelligence platform to combat the challenges within the federal government's data challenge and eliminate silos. As part of our support, DHA implemented a cost saving strategy that resulted in ~$90M saved through portfolio rationalization and consolidation and rationalized over $63M in proposed R&D projects down to $14.9M using capability mapping and avoiding duplicative investments.

Figure 14. TCO Modeling Overview.
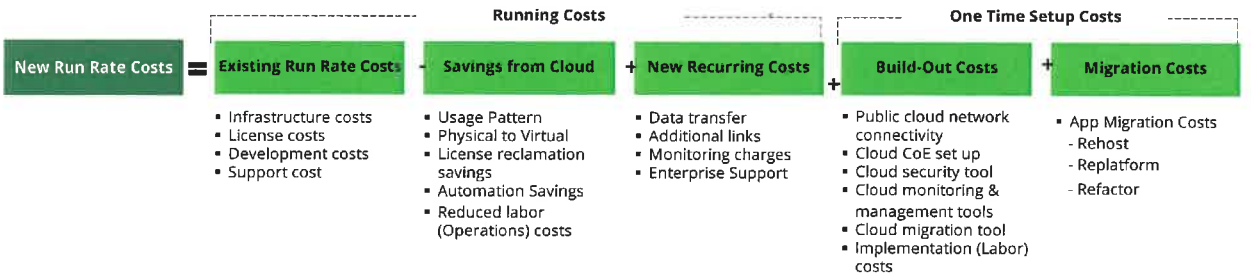
Based on previous application portfolio rationalization assessments, we will leverage the APS Tool with the identified criteria weighting which corresponds to the degree of importance to the analysis and confidence factor to account for subjectivity and accuracy of the data. The APS Tool will provide an initial scoring and alignment with

for the applications across four areas: Keep As-Is, Refresh / Replace (Retool), Refresh / Replace (Redesign), and Candidate for Termination. The initial scoring and alignment serves as a guideline to initiate discussions around a specific application driven by its overall application persona based on the collected application attributes from Phase 1. The application initial scoring and alignment and application persona serve as inputs to providing a recommendation to our application rationalization 7R framework.

Figure 15. Application Rationalization 7R Framework.

	Retire	Retain	Rehost	Refactor	Revise	Rebuild	Replace
Description	Retire/sunset the application	Leave application on-premise	Move existing application to the cloud "Lift and shift"	Update code or configuration to connect to new Infra services	Re-engineer application to take advantage of Cloud capabilities before Rehosting to the cloud	Rebuild on provider platform, and discard existing code	Move to SaaS and retire existing application
App Arch Changes	No Change	No Change	No Change	Re-platform	Re-architect	Rewrite (Cloud Native)	SaaS
Future Host Location	N/A	On-Prem	Public or Private Cloud	Public or Private Cloud	Public or Private Cloud	Public Cloud	SaaS
Migration Effort	Varies – Based on effort required to re-build capability in target application	Low	Low	Medium	Medium - High	High	Case by Case (Depends on Integration Points, Data Migration)

LEGEND No Migration Migration Required

Table 10. Sound, Practical, and Feasible Method for I-TIPS.

Plan to Create I-TIPS
How Deloitte Will Accomplish the Tasks Involved

Analyze and Prioritize the Portfolio
- Analyze the collated data and determine target state capabilities
- Conduct a gap analysis between current state and future state application architecture design principles
- Identify initial considerations for application disposition through 7R framework
- Assess application to identify cloud compatible applications that could build a cloud-first strategy
- Define and prioritize projects and initiatives required to reach future state

Assess Total Cost of Ownership
- Determine the associated cost levers and available information across the current application portfolio e.g., recurring costs and one-time costs
- Identify if the costs are allocated directly or indirectly to the applications
- Complete IT spend analysis to identify level of IT spend on each application and identify outlier applications

Our Commitment to Collaborate and Instruct the State on how to Sustain Capability

- Provide coaching opportunities around applicable subject matter around I-TIPS deliverable including TCO Modeling and Application Rationalization 7R Framework including applicable tools and use cases.
- Conduct working sessions with WVOT on development of action plans to address recommendations from the I-TIPS TCO and Application Rationalization Report.

Deliverables (D) and Work Products (WP)

I-TIPS TCO and Application Rationalization Report (D) – The TCO and Application Rationalization Report will include the application personas for each application based on the collected data across the technical health and business alignment attributes, with a summary of the corresponding scoring, initial alignment, and 7R. The Report will include the corresponding TCO for the applications comprised of the cost breakdown of the applications based on the TBM Taxonomy with cost categories and components of application portfolio to facilitate cost analysis e.g., license cost, hardware components.

1.2.2.3 Phase 2 – State Technology Strategic Plan (4.2.2.2.3)

IMPACT

Our Superior Approach: We will leverage proven State Technology Strategic Plan approach levered across other State clients with our team consisting of and supported by former state CIOs and government leaders.

Our Focus on Controls and Areas that Matter: We will work in collaboration with WVOT to build alignment between WVOT and department level strategic plans, enhancing relationships at all levels of the organization through outcome driven conversations, further enhancing the impact of IT for the State

Our World Class Methods: Deloitte will focus on constructively coaching WVOT, providing additional perspective on transformation of the IT organization.

Leveraging the Five-Year Strategic Technology Roadmap, we will collaborate with WV IT departments to develop the State Technology Strategic Plan. This will align overall IT department portfolio/projects that are in any state (In Progress, Funded, Not Funded) to the business goals and vision established with the CIO and senior leadership. WVOT will gain a comprehensive plan that is considerate of the Organizational Change Management in Section 1.1.1, that provides value of successful adoption.

Below are the State Technology Strategic Plan high-level benefits:

Strong framework and tie in the goals to each department's program/project portfolio

Each program/project align to the 5-year roadmap goals, providing transparency to improve chances for success

Creates an effective alignment from vision/mission to goals, objectives, milestones, and KPIs

Below are the key questions that are required to effectively complete the State Technology Strategic Plan that is achievable and drives mission for WVOT:

- What are the business outcomes?
- What are the benefits?
- What are the milestones?
- What are the KPIs (Performance measures)?
- What's in progress, funded, or not funded?
- What is the activity's actual or expected start and end date?

THE DELOITTE TEAM

Oregon Lottery - Information Technology Operating Model Assessment (ITOM)

The Oregon Lottery now equipped with a prioritized Enterprise Roadmap for Technology Capabilities, needed a structured plan with options on how to execute and complete their transformed Information Technology Operating Model. Using a channel-based approach, the team was able to develop steps for completing the transformation of Oregon Lottery's ITOM that used alignment from service type through the executing departments. This process also included an understanding of each relevant capability and technology for the different design details for a successful transformation. With the completed deliverable and work products, the team was able to establish a timeline for the design and complete the deliverable, promoting the opportunity of high-level success.

Table 11. Sound, Practical, and Feasible Method to Create the State Technology Strategic Plan.

| Plan to Create State Technology Strategic Plan |
|---|
| **How Deloitte Will Accomplish the Tasks Involved** |
| **Leverage Input from Previous Activities** |
| • Collaborate with WVOT IT departments and utilize information of each department's current project/portfolio to align to any respective goal(s) to show short-term and long-term value
• Applying the alignment to the WVOT goals will enable the deeper dive into understanding the current state of each project/portfolio by gaining insight into the funding status of each (In Progress, Funded, Not Funded) |
| **Activities and Milestones** |
| • Creating the State Technology Strategic Plan benefiting from the alignment of goals down to the particular IT department project/portfolio enables a framework that ties value-driven results from current and future work along the five-year trajectory of the technology roadmap |

Plan to Create State Technology Strategic Plan
• Further identification contributes further value by outlining and highlighting their benefits, business outcomes, milestones, and their start & end date

Our Commitment to Collaborate and Instruct the State on how to Sustain Capability
• Conduct coaching for WVOT on applicable practices and potential opportunities to apply demand management and project portfolio management capabilities to their environment.
• Collaborate with WVOT on refining the State Technology Strategic Plan and development of an action plan to sustain and refresh the document on a periodic basis going forward.

Deliverables (D) and Work Products (WP)
State Technology Strategic Plan (D) – The West Virginia State Technology Strategic Plan will start with the high-level goals aligned to each IT project complete with milestones and KPIs. This is used as a guide for each IT department to deliver on their IT portfolio and ensure value-based delivery.

1.2.3 Additional and Optional Services (4.2.2.3)

As shown in the Deloitte Technology Capability Model, the capabilities focused for the WVOT Assessment and Consulting Services only cover a portion of the overall set of capabilities required by an IT organization to succeed, with additional capability domains including how IT operates, protects, analyzes, and develops / transforms solutions. Additionally, the deliverables defined in Phase 1 and Phase 2, while serving as a strong initial baseline, will not cover the full spectrum of recommendations / improvement initiatives that will come out of the WVOT Key Capability assessment and development of a Two-Phase Strategic Plan. Both additional potential capabilities to mature and additional recommendations from the Two-Phase Strategic Plan will serve as additional goals and objectives that may be necessary as a result of the organizational assessment and strategic plan. We will work with WVOT to develop a backlog of overall recommendations from the Five-Year Strategic Technology Roadmap, using guiding principles to prioritize near-term improvements based on the recommendation profile across risk posture, mission alignment, net cost effectiveness, and operational feasibility as shown in Figure 16 below. Based on the identified top recommendations, profiles will be developed inclusive of the related background and observations, recommended next steps, scoring rationale, and benefits to the organization. Additional and optional services, driven by recommendations for additional goals and objectives, can include IT governance management, cyber services, organization change services, executive support for IT leaders, enterprise architecture support, and direct department IT alignment support for the IT strategic plan.

Figure 16. Prioritization Approach to Identify Additional Goals and Objectives.
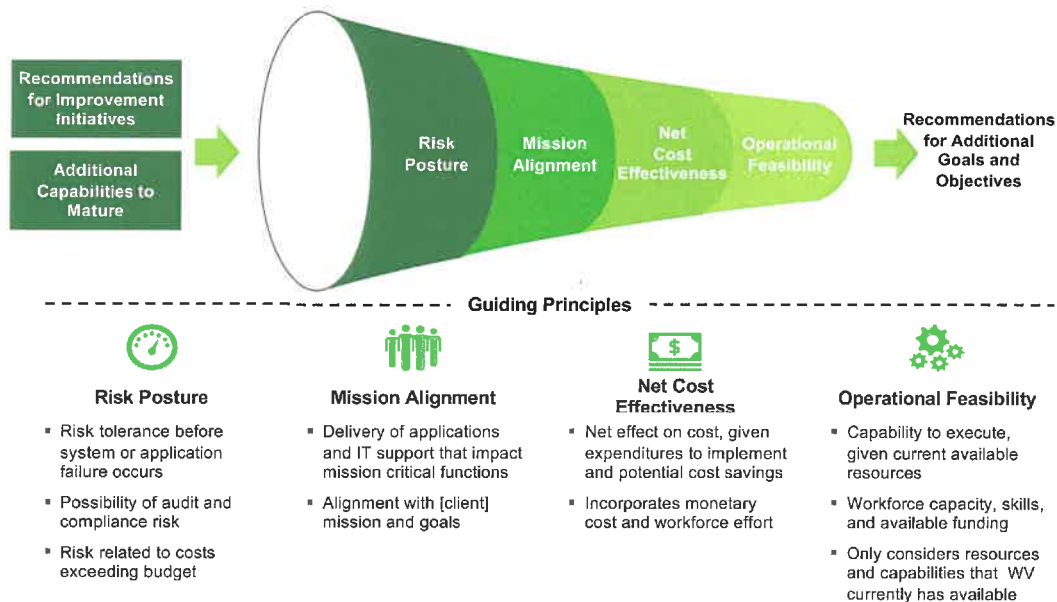
2. Our Team

WVOT requires a strong, skilled team to effectively carry out its goal of providing strategic technology management services and creating a new strategic technology governance for the state. The Deloitte team has the depth and breadth of skills necessary to support WVOT in driving towards this future-state vision, having successfully implemented and provided oversight of complex transformational and modernized engagements across Federal, State, and Local governments. We will bring a high-performing team of well-qualified talent made up of a strong leadership team, consultants, and senior consultants who have delivered in similar spaces throughout their careers. Below is a representation of the personnel, resources, and skills the Deloitte team can bring. The team can be supplemented by additional resources as required and additional information or resumes can be supplied upon request.

Figure 17. Deloitte Team Structure.
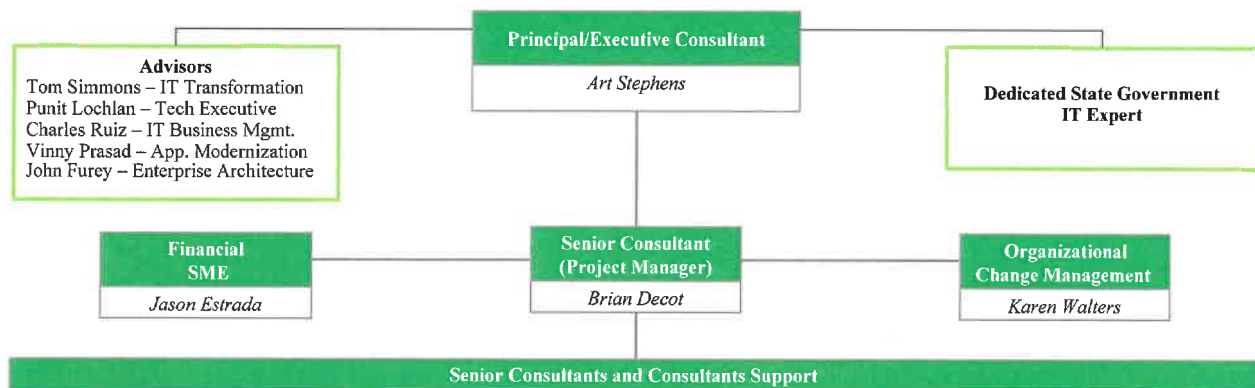
Art Stephens is a Managing Director focusing on State and Local Government and Higher Education. During his 35-year professional career, he has served as a principal for Deloitte, **Chief Information Officer for a state government, Deputy Chief of Staff to the Governor and Vice Chancellor for Strategic Initiatives for a public higher education system**. Through these diverse positions, Art has developed deep operational, strategic, policy and client service knowledge of state government and higher education. He has deep experience in most areas of state government, including tax and revenue, public safety, emergency management, health and human services, retirement systems, administration and higher education.

Our **Senior Consultant, Brian Decot, is a certified Project Manager** with over 10 years of experience delivering management consulting to clients. He understands the scope of IT and non-IT projects and has managed day-to-day operations for his clients, planning and executing IT transformation projects. **Brian has led successful IT CIO assessments, delivered Technology Business Management (TBM) solutions, and supported IT organizations in delivering shared and enterprise services.**

Karen Walters is a Specialist Master with Deloitte and has **over 18 years of experience leading organizational change management, strategic communications, and training programs** for large transformation projects. Karen is a **Certified Change Practitioner in Prosci change management methodology and integrates best practices for change strategy and execution** into project and program management. Karen has proven she can deliver innovative OCM solutions supported by high-quality change deliverables.

Jason Estrada is a Financial Subject Matter Expert (SME) with 24+ years of accounting, budget, and modeling experience. **He specializes in increasing transparency and awareness in spending by integrating modern-day frameworks and techniques (such as Technology Business Management (TBM) into client data repositories**. Jason's broad experience leading and designing costing projects has given him the opportunity to improve client's costing practices, increase regulatory compliance, identify cost savings opportunities. He has achieved this through development of new repositories to support advanced modeling; strategic analytics based on targeted business metrics; operational assessments that provide roadmaps navigating from faltering "as-is" operations to "to-be" operational excellence.

John Furey is a **proven leader and a trusted advisor specializing in Enterprise Architecture**, IT strategy and transformation, and effective leadership of project teams to deliver results. He has nearly three decades of military leadership, consulting, and project management experience; the last 23 years supporting his Public Sector clients' IT transformation and business management needs. John advises his clients in leveraging technologies to increase productivity, lower costs, and enhance IT functional capabilities. He holds an active Top-Secret clearance (SCI eligible) and held Certified Enterprise Architect (CEA) and Project Management Professional (PMP) certifications and is ITIL v3 Foundations certified.

Tom Simmons is a Managing Director and brings over 35 years of industry and professional services leadership experience in IT technology and services and business transformation and execution. Tom serves as the GPS Cloud Engineering Sector Lead for State, Local and Higher Education supporting clients in the deployment and leverage of large-scale technology-based business transformations. **Tom's experience also includes senior strategic advisory and executive roles in industry as an IT managed services provider with leaders in technology, telecom, government, financial services, industrial products, and energy.** His professional experience has included top IT players as HP/Compaq and **Deloitte as the Global CTO for Deloitte's internal IT functions for 10 years** prior to his consulting responsibilities.

Punit Lochlan has more than 2**0 years of experience in driving technology projects and follows using established methodology and processes like CMMI, ITIL, PMP and CISSP** and has a proven track record of leadership in managing large teams for public sector and private sector clients towards successful outcomes. His experience includes customized Infrastructure Management, Operations Management, Configuration Management, Enterprise Architecture, and Data Management including advanced technology projects from client-server to distributed computing utilizing industry-leading methodologies. **As Deloitte's lead for the National Association of State Technology Directors (NASTD) and a core member of the Enterprise Architecture group at NASCIO,** he gains valuable insights working alongside CIO, CTO, CISOs, and executive leaders on forward-thinking IT solutions driving operational improvements and high uptimes.

Charles Ruiz is a **senior IT Leader with experience driving IT application and operations modernization initiatives from conception through to implementation.** He has over 14 years of experience in the Technology industry with extensive experience helping clients address IT operational, technical, and organizational challenges by developing effective strategies and plans. **He leads cross-functional teams to deliver results in several domain areas including IT strategy development, IT process improvement, metrics and reporting, and IT operating model design.** His particular strengths include working directly with IT executives and senior IT leaders to collaboratively stand-up new capabilities and supporting functions.

Vinny Prasad is a Specialist Leader with Deloitte with over 25 years of experience in program management and information technology (IT) projects including 21 years serving projects for state governments. State government experience also includes 19 years developing and managing the Integrated eligibility determination and benefit issuance system (RAPIDS) for TANF, Medicaid, SNAP, and other Special programs administered by WV Department of Health Human Resources. He has **extensive experience building specialized teams, managing and**

architecting modernization projects, application development and maintaining complex, mission-critical systems. Vinny will serve as an application lead and will bring his full knowledge and experience to the engagement.

3. Qualifications and Experience

Deloitte has worked with over 47 state governments – much of that work has been technology related – we provided 2 State and 2 Federal examples below. We also are heavily involved in NASCIO as explained in our executive summary. We have assisted several state CIOs and state agencies with the strategic planning and architecture development functions. For example, at the Commonwealth of Pennsylvania we implemented an Enterprise Architecture Standardization and centralization of over 28 enterprise IT services to allow for agile business development through the creation and reuse of Enterprise Services. For the State of Tennessee, we conducted an IT risk assessment of critical systems across its Executive Branch agencies and provided a consolidated view of 188 Critical Systems and assets, 93 Critical Sites, documented six process redesigns, and presented prioritized roadmap of 17 tactical initiatives to address gaps in resiliency. These examples, in addition to the qualifications below, show our commitment in supporting clients modernize their strategic technology governance and management capabilities and services.

Table 12. Overview of Our Qualifications.

RFP Objective	Food and Drug Administration	U.S Customs and Border Protection	California	Michigan
Strategic technology investment portfolio management and enterprise project management across mid to large enterprises (4.3.1.1)	X	X	X	X
Cost recovery for services funding models (4.3.1.2)	X	X	'	X
Working with State government IT organizations (4.3.1.3)			X	X
Organizational change management in technology support (4.3.1.4)	X	X	X	X

Agency: U.S. Food and Drug Administration (FDA) / Office of Information Management and Technology (OIMT)
Contract Name: U.S. Food and Drug Administration - OIMT Cost Allocation and Technology Business Management **Contract Number:** HHSF223201510010B **Percentage of Work Performed:** 100% **Period of Performance:** 12/17/2015 - 04/29/2021 **Government Contact Info:** Teresa Tran, Teresa.tran@fda.hs.gov, 240-381-2496
Work Performed: **Governance:** An efficient **governance program** is a critical component of the FDA's Working Capital Fund (WCF) and **Cost Allocation** efforts to date. To this end, the Deloitte OIMT Support Team effectively employed the governance framework to drive change to the existing cost allocation methodology to support the roll-out of TBM to the Agency. Deloitte helped to design a framework that will improve decision-making processes while enhancing stakeholder involvement in the governance construct. **Current / Future State Assessments:** The Deloitte Team created a consolidated definition and architecture for the future state TBM cost allocation framework. The Team leveraged internal and existing knowledge of OMB guidelines and the IT COST Commission report to establish an overall model structure. With a core architecture identified, the Team engaged with Capital Planning and Investment Control (CPIC) to understand the selected Cost Pool and Tower mappings for Enterprise IT (EIT) elements. As a function of this work the Deloitte Team produced both a **current state process assessment** as well as a **future**

state analysis of a TBM orientated cost allocation model. In addition, the Team revised the data collection and remediation processes to better align with the TBM operations framework.

Business Processes: The project team supported OIMT in identifying, developing and communicating new policies and procedures as they relate to TBM. As part of this process, the Team reviewed and indexed the **current state cost allocation model** documentation policies and procedures portfolio (e.g., data collection standard operating procedures, data collection templates, and workflow process diagrams). The team also researched OMB guidance associated with **IT cost reporting**, identifying potential gaps in existing policies, and developing a corrective action plan aimed at either modifying existing policies or developing new policies.

Cost Model Refinement: To support the roll-out of TBM, the Team developed a pilot TBM framework and model. This model was benchmarked against the FY 2019 **cost allocation model utilized for WCF chargeback**. This pilot program enabled the FDA to get a sense for the changes that could occur as a function of employing the TBM taxonomy to **evaluate enterprise IT costs against the service portfolio**. This effort required the Team to create an FDA specific TBM catalog of services and work with Service Providers to **appropriately align costs against Cost Pools, IT Towers, and Services**.

Change Management: The introduction of the TBM framework necessitated the need for **change management support**. As such, the Deloitte Team identified and defined the impact on external and internal stakeholder's operational changes to the cost model framework. Based on these results the Deloitte Team developed **operational change briefings/trainings** to address knowledge gaps by the stakeholder community. The outreach efforts focused on areas such as identifying and determining roles and responsibilities, outlining new policies associated with operations, and highlighting changes in timelines that will impact stakeholder's day-to-day business operations and schedule.

Impact Delivered: Deloitte's work helped improve **engagement with the stakeholder** community (both within OIMT and externally with customers) by developing a governance process that matured the OIMT **Cost Model decision-making processes**. This included new/updated templates and policies that align with OIMT's new model taxonomy and new/updated SOPs associated with the new model framework. Deloitte supported operational training efforts, helping stakeholders advance their understanding of changes to the cost allocation methodology and approach. The Team's approach also benefitted the development and adoption of the future-state **cost allocation model**, supported **budget mapping efforts**, and revised the data collection and remediation process.

Agency: U.S Customs and Border Protection (CBP), Office of Information and Technology (OIT) Financial Management Division (FMD)

Contract Name: Qualification Investment Management Support (IMS)
Contract Number: GS00Q14OADU113
Percentage of Work Performed: 100%
Period of Performance: September 2017 – September 2022
Government Contact Info: Jodi Tanvas, jodi.l.tanvas@cbp.dhs.gov, 571-468-8327

Work Performed:
Deloitte has supported CBP's Office of Information and Technology (OIT) as a strategic advisor to the Assistant Commissioner (AC) of OIT who functions as CBP's Chief Information Officer (CIO). With a budget of over $1.5B, CBP OIT supports the delivery of mission-critical IT capabilities that help CBP Mission Offices administer trade, manage traveler movement, and secure America's borders.

At the heart of OIT's operations, the Financial Management Division (FMD) is responsible for defending, managing, and executing OIT's budget to effectively operate, maintain, and modernize CBP technology applications and services. FMD's broad scope of activity includes:

- Managing and optimizing CBP technology initiatives and investments
- Executing CBP's Capital Planning and Investment Control (CPIC) process
- Developing business cases *to justify new IT investments and budget requests*
- *Coordinating OIT planning, programming, budgeting, and execution.*

Impact Delivered:

Deloitte's support for CBP OIT FMD spans a wide range of capabilities split over multiple task areas, including:

Program/Project management

Process Improvement/Process Optimization

Technology Business Management (TBM)/Cost Transparency

Executive Strategy

Annual Business Case Reporting

Monthly Investment Reporting

Budget Formulation and Planning

Investment Analysis Support

Cost Estimation/Analysis

Deloitte has helped CBP and DHS leadership make practical decisions that can be directly tied to business goals by developing tools such as: dynamic IT Investment Portfolio dashboard to track its investments and perform program analysis; Developed a delivery schedule of required data updates and materials to provided regular reports summarizing progress.

Deloitte has helped CBP advance its budget formulation and planning process through various tools and guidelines. For the Programming phase of PPBA, Deloitte supported CBP OIT in aligning requirements to organizational priorities during the Resource Allocation Plan (RAP) process and building a compelling budget justification illustrating how disproportionate cuts to IT spend affects mission critical activities. Deloitte supported OIT in establishing budgetary and cost baselines to enable the organization to better articulate the impacts of IT budget changes on the mission and identify potential areas for cost savings and cost avoidance across CBP.

Technology Business Management:

Developed a brief recommending the alignment of an SAP product/service field to the TBM taxonomy to streamline the reporting process for three separate CBP reporting requirements

Used Technology Business Management (TBM) framework to analyze CBP's user fee model and recommended new cost drivers that increased OIT's annual fee funding by $30M

Facilitated the implementation of the TBM Taxonomy into OIT's budgeting and execution tools

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Agency: California Department of Housing and Community Development (HCD)

Contract Name: HCD Cost and Fee Sustainability Assessment
Contract Number: 19-50-014
Percentage of Work Performed: 100%
Period of Performance: June 2020 – April 2022
Government Contact Info: Kyle Krause, Kyle.Krause@hcd.ca.gov, 916-263-3124

Work Performed:

Deloitte **reconciled over $111M in revenue & tax data** and over **$101M in related expense data** for 280 service fees between the Codes & Standards operating and financial systems for FY18-FY20. Deloitte led the resolution efforts to clear data discrepancies to develop a consolidated services catalog and designed a **cost allocation model to assign direct and indirect costs** to each revenue stream to calculate the full cost of each service provided. As a result, we identified over 65% of the services provided operated at a loss during FY18-FY20. We provided a prioritized listing of all services fees contributing to decreasing fund balances and recommendations for future fee sustainability efforts (i.e., rate increases vs volume/capacity limitations).

Impact Delivered:

Reconciled 3 years of revenue, tax, and expense data between operating and financial systems to ensure accuracy and completeness of the **Cost and Fee Assessment.**

Identified, reported, and corrected underlying data discrepancies in the company's operational and financial systems to improve **data reliability**.

Developed a cost allocation and analysis model to **identify the direct and indirect costs** associated with the services provided and determine which fees are operating at a loss and causing unsustainable declining fund balances.

Created new **system reports** to improve revenue and tax detail extraction.

Developed and delivered a repeatable business process and recommendations for **future cost assessments to support future fee adjustments.**

Deloitte overall improved financial transparency into Codes & Standards Fees and Costs, documentation for operational and compliance purposes, implemented internal controls around issues found during our root cause analysis/business process walkthroughs, and trained staff and increased cross-functional communication among the agency's various departments.

Agency: State of Michigan Department of Technology Management and Budget (DTMB)
Contract Name: TBM Proof of Concept and Rapid Prototype, Strategy, and Roadmap **Contract Number:** N/A **Percentage of Work Performed:** 100% **Period of Performance:** May 2018 – June 2018 **Government Contact Info:** Phil Jeffery, Jefferyp@michigan.gov, 517-599-4583
Work Performed: The State of Michigan Department of Technology, Management, and Budget (DTMB) sought to assess 1) what is the value of Technology Business Management (TBM) and 2) how to develop a roadmap for implementation/adoption of the Technology Business Management (TBM) framework. To address these two areas, Deloitte conducted an assessment and developed a rapid TBM Proof-of-Concept model that that could be used to help DTMB achieve strategic objectives, including modernization of IT infrastructure, IT cost transparency with customer agencies, and benchmarking of IT operations and finances to demonstrate the value / return on investment of IT spending. Using the TBM Framework / Taxonomy and managerial **cost accounting methods**, the team analyzed actual DTMB FY17 and fiscal year-to-date FY18 expenditures from their financial management system. Using the Department, Accounting Period, Object, Object Name, Department Object Name and Group, and type of expenditure, the team was able to identify and **align IT spending to the TBM Taxonomy** and ultimately to specific IT services and customers.
Impact Delivered: Deloitte Conducted **key stakeholder interviews** and reviewed IT strategy, business processes, **governance structures**, and service catalogs. In addition, analyzed existing data, including expenditures, budget, IT asset inventory, service or IT consumption data, and workforce data. Concluding these activities, we designed and developed an initial **TBM Proof-of-Concept financial model**. Once the model was completed, we developed a draft TBM Roadmap of key milestones and changes to governance, processes, technology, and / or skillsets / training to implement TBM. Outcomes: Initial Proof of Concept Cost Model that provided **cost transparency** and demonstrated the **reporting capabilities** possible by incorporating financial/operational dimensions Draft High-level **TBM Implementation Roadmap**

4. Attachments

Attachment A - Assumptions

West Virginia will provide appropriate resourcing, required data, and subject matter expertise to meet the timeline set forth in the request for proposal to support the tasks and deliverables within the scope of work agreed upon in the baselined statement of work.

West Virginia will review deliverables and provide feedback (if needed), within three business days of submission. If West Virginia does not respond/have feedback, within five business days, the deliverables are deemed approved.

West Virginia will provide appropriate resourcing and system access to facilitate system, data, and process trainings and demos to support any development and distribution of reports, dashboards, and tools.

Changes in these assumptions, which may impact schedule dates and/or fees, will be documented and communicated to the appropriate individual(s) for discussion and approval. Any change that Deloitte cannot control and that would impact schedule or cost should be documented, communicated timely, and should require a contract mod.

Deloitte, as an audit firm, will not direct any attest (audit) clients work which will affect the overall financial or performance results of attest vendor(s). In the context of our audit clients, Deloitte must adhere to certain rules and regulations established by the applicable regulators for the audit clients served by Deloitte.

West Virginia project sponsor or an assigned representative will meet, at minimum, once weekly with Deloitte.

West Virginia will provide access to Subject Matter Experts (SME) within WV divisions and Source System POCs within two weeks of requesting such access.

Any desired changes in project scope shall be agreed upon by both parties and may affect time and quality of delivery. Deloitte assumes that if the scope of work changes as defined in the RFP, we will have the opportunity to renegotiate the proposed pricing or conduct a Delivery Order (DO) as part of the Additional and Optional Services mentioned in Section 1.2.3.

To maximize flexibility, particularly in alignment with common hybrid / telework orders in effect across various jurisdictions, we have assumed that Deloitte staff may work offsite (contractor site or telework) with the exception that some key stakeholder meetings (such as the referenced workshops) would take place as in person meetings in Charleston, WV or at an agreed upon location within WV.

Deloitte Consulting (the "Company") will not be precluded from pursuing or performing any future state opportunity including implementation of any recommendations made under this contract as a result of the Company's performance of the services. In no event shall the Company be precluded from providing contracting services support to include, but not be limited to, Program Management Office support, System Implementations, Transition Support, Change Management, Technology Design, Development, Testing and Implementation Support, Training, Outsourcing Advisory, or any other work deemed as a non OCI by the government.

Attachment B - Exceptions

Deloitte Consulting LLP (Deloitte) has identified below the terms and conditions it seeks to negotiate and has also identified the additional terms it would seek to add to the terms and conditions identified in the RFP. We value our relationship with the State and are committed to working in good faith to reach prompt final Contract.

General Terms and Conditions

8. Insurance

Deloitte would like to discuss certain minor changes to the language in order to make these requirements consistent with the insurance that we maintain. Deloitte and the State have always reached Contract on the required changes related to insurance.

14. Payment in arrears

We request to clarify that the State would pay each invoice within thirty days of its receipt thereof. If payment is not received within such period (i) such invoice shall accrue a late charge equal to the lesser of (a) 1½% per month or (b) the highest rate allowable by law, and (ii) Deloitte may also suspend or terminate the services upon five days written notice to the State.

19. Cancelation

Termination for default should be based on a material breach of the contract. Additionally, we would request to include a reasonable period to cure any breach within the thirty (30) day notice period.

20. Time

We request to remove the requirement that time is of the essence, as this is not within standards for commercial contracts within the industry and it is in both parties best interests to have a reasonable period to cure any breach.

22. Compliance with Laws

We request to clarify that Deloitte would be responsible for complying with laws which are applicable to Deloitte in its performance of the services under the Contract.

28. Warranty

The warranty should be clarified to include a specific warranty period of thirty (30) days. Also, we request to remove the warranties of merchantability and fitness for the purposes intended, as these are not within standards for commercial contracts within the industry and it is difficult to determine compliance with subjective warranties.

30. Privacy, Security and Confidentiality.

We look forward to discussing and clarifying specific provisions set forth the Confidentiality Policies and Information Security Accountability Requirements. Specifically, we would like to clarify the provisions which would be applicable to the services to be provided under the contract.

36. Indemnification; 35. Vendor Relationship

We would like to clarify that Deloitte would agree to indemnify the State for third party claims for bodily injury, death, or damage to real or tangible personal property, to the extent directly and proximately caused by the negligence or intentional misconduct of Deloitte. In addition, we can agree to provide an indemnification for third party claims of infringement of copyrights, patents, or trademarks resulting from the services. We look forward to further discussing and clarifying this provision with the State.

38. Conflict of Interest

We would propose to clarify that we would not have a conflict of interest in violation of law applicable to Deloitte in its provision of services hereunder.

Additional Terms and Conditions

Deloitte sets out below certain additional provisions that we wish to include in the Contract:

1. The State shall cooperate with Vendor hereunder, including, without limitation, providing timely access to data, State facilities, systems, solutions and approved technologies, information and personnel of the State. The State shall be responsible for the performance of its personnel and agents and for the accuracy and completeness of data and information provided to Vendor for purposes of the performance of the services. The State acknowledges and agrees that Vendor's performance is dependent upon the timely and effective satisfaction of the State's responsibilities hereunder and timely decisions and approvals of the State in connection with the Services. Vendor shall be entitled to rely on all decisions and approvals of the State.

2. Vendor, its affiliates and subcontractors, and their respective personnel shall not be liable to the State for any claims, liabilities, or expenses relating to or in connection with this Contract ("Claims") for an aggregate amount in excess of the fees paid by the State to Vendor under this Contract, except (i) to the extent resulting from the recklessness, bad faith or intentional misconduct of Vendor or its subcontractors, or (ii) for payment for services performed. In no event shall Vendor, its affiliates or subcontractors, or their respective personnel be liable to the State for any loss of use, data, goodwill, revenues or profits (whether or not deemed to constitute a direct Claim), or any consequential, special, indirect, incidental, punitive, or exemplary loss, damage, or expense relating to or in connection with this Contract. In circumstances where any limitations or exculpations set forth herein are unavailable, the aggregate liability of Vendor, its affiliates and subcontractors, and their respective personnel for any Claim shall not exceed an amount that is proportional to the relative fault that the conduct of Vendor and its subcontractors bears to all other conduct giving rise to such Claim.

3. The State shall approve each deliverable that conforms in all material respects to the requirements therefore set forth in the Contract. Approval of a deliverable shall be deemed given by the State if the State has not delivered to Vendor a notice that such deliverable does not conform with the foregoing within five business days of delivery. Any rejection shall include a written description of the defects of the Deliverable within five business days of delivery. If the State rejects a Deliverable, Vendor will, upon receipt of such rejection, act diligently to correct the specified defects and deliver an updated version of the Deliverable to the State. The State will then have an additional five business days from receipt of the updated Deliverable to notify Vendor, in writing, of the acceptance or rejection of the updated Deliverable. Any such rejections will include a description of the way in which the updated Deliverable fails to correct the previously reported deficiency. Following any acceptance of a Deliverable which requires additional work to be entirely compliant with the Contract, and until the next delivery, Vendor will use reasonable efforts to provide a prompt correction or workaround.

Attachment C - Signature Forms

The following signed forms for WVOT are included below:

Designated Contact Form

Disclosure of Interested Parties to Contracts Form

Request for Proposal Authorization Signature

Addendum Acknowledgement Form

Solicitation Cover Page

DESIGNATED CONTACT: Vendor appoints the individual identified in this Section as the Contract Administrator and the initial point of contact for matters relating to this Contract.

(Name, Title) _Arthur C. Stephen, MANAGING DIRECTOR_

(Printed Name and Title) __Art Stephens   Managing Director__

(Address __30 North Third Street Suite 800 Harrisburg, Pa, 17101__

(Phone Number) / (Fax Number) +1.717.512.8364

(email address) artstephens@deloitte.com

CERTIFICATION AND SIGNATURE: By signing below, or submitting documentation through *wv*OASIS, I certify that: I have reviewed this Solicitation/Contract in its entirety; that I understand the requirements, terms and conditions, and other information contained herein; that this bid, offer or proposal constitutes an offer to the State that cannot be unilaterally withdrawn; that the product or service proposed meets the mandatory requirements contained in the Solicitation/Contract for that product or service, unless otherwise stated herein; that the Vendor accepts the terms and conditions contained in the Solicitation, unless otherwise stated herein; that I am submitting this bid, offer or proposal for review and consideration; that I am authorized by the vendor to execute and submit this bid, offer, or proposal, or any documents related thereto on vendor's behalf; that I am authorized to bind the vendor in a contractual relationship; and that to the best of my knowledge, the vendor has properly registered with any State agency that may require registration.

By signing below, I further certify that I understand this Contract is subject to the provisions of West Virginia Code § 5A-3-62, which automatically voids certain contract clauses that violate State law; and that pursuant to W. Va. Code 5A-3-63, the entity entering into this contract is prohibited from engaging in a boycott against Israel.

(Company) Deloitte Consulting LLP

Arthur C. Stephen

(Authorized Signature) (Representative Name, Title)
Art Stephens, Managing Director 9/12/2022
(Printed Name and Title of Authorized Representative) (Date)
+1.717.512.8364
(Phone Number) (Fax Number)
artstephens@deloitte.com
(Email Address)

West Virginia Ethics Commission
Disclosure of Interested Parties to Contracts

(Required by *W. Va. Code* § 6D-1-2)

Name of Contracting Business Entity: Deloitte Consulting LLP **Address:** 30 North Third Street Suite 800 Harrisburg, Pa, 17101

Name of Authorized Agent: West Virginia Purchasing Division **Address:** 900 KANAWHA BLVD E, BLDG 5 10TH FLOOR CHARLESTON WV 25305

Contract Number: OOT2300000001 **Contract Description:** Consulting Services to establish strategic technology management ervices within the WVOT per

Governmental agency awarding contract: West Virginia Office of Technology (WVOT)

☐ **Check here if this is a Supplemental Disclosure**

List the Names of Interested Parties to the contract which are known or reasonably anticipated by the contracting business entity for each category below *(attach additional pages if necessary)*:

1. **Subcontractors or other entities performing work or service under the Contract**
   ☑ Check here if none, otherwise list entity/individual names below.

2. **Any person or entity who owns 25% or more of contracting entity (not applicable to publicly traded entities)**
   ☑ Check here if none, otherwise list entity/individual names below.

3. **Any person or entity that facilitated, or negotiated the terms of, the applicable contract (excluding legal services related to the negotiation or drafting of the applicable contract)**
   ☑ Check here if none, otherwise list entity/individual names below.

Signature: _Arthur C. Stophen_ Date Signed: 9/9/2022

Notary Verification

State of _Pennsylvania_, County of _Centre_:

I, _Allen McGriff_, the authorized agent of the contracting business entity listed above, being duly sworn, acknowledge that the Disclosure herein is being made under oath and under the penalty of perjury.

Taken, sworn to and subscribed before me this _9th_ day of _September_, _2022_

_____
Notary Public's Signature

To be completed by State Agency:
Date Received by State Agency: _____
Date submitted to Ethics Commission: _____
Governmental agency submitting Disclosure: _____

Revised June 8, 2018
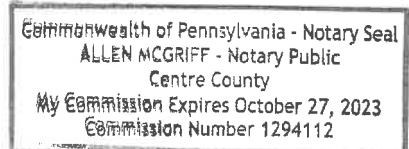
REQUEST FOR PROPOSAL

SECTION 6: EVALUATION AND AWARD

6.1 Evaluation Process: Proposals will be evaluated in two parts by a committee of three (3) or more individuals. The first evaluation will be of the technical proposal and the second is an evaluation of the cost proposal. The Vendor who demonstrates that it meets all of the mandatory specifications required, attains the minimum acceptable score and attains the highest overall point score of all Vendors shall be awarded the contract.

6.2. Evaluation Criteria: Proposals will be evaluated based on criteria set forth in the solicitation and information contained in the proposals submitted in response to the solicitation. The technical evaluation will be based upon the point allocations designated below for a total of 70 of the 100 points. Cost represents 30 of the 100 total points.

Evaluation Point Allocation:

Project Goals and Proposed Approach (§ 4.2)

- Approach & Methodology to Goals/Objectives (§ 4.2.1)   40 Points Possible

Qualifications and experience (§ 4.3)

- Qualifications and Experience Generally (§ 4.3.1)   10 Points Possible

Comparative Analysis Amongst Vendors   10 Points Possible

Oral interview (§ 4.4)   10 Points Possible

Total Technical Score: 70 Points Possible

Total Cost Score: 30 Points Possible

Total Proposal Score: 100 Points Possible

6.3. Technical Bid Opening: At the technical bid opening, the Purchasing Division will open and announce the technical proposals received prior to the bid opening deadline. Once opened, the technical proposals will be provided to the Agency evaluation committee for technical evaluation.

6.4. Technical Evaluation: The Agency evaluation committee will review the technical proposals, assign points where appropriate, and make a final written recommendation to the Purchasing Division.

Revised 07/01/2021

REQUEST FOR PROPOSAL

6.5. Proposal Disqualification:

    6.5.1. Minimum Acceptable Score ("MAS"): Vendors must score a minimum of 70% (49 points) of the total technical points possible in order to move past the technical evaluation and have their cost proposal evaluated. All vendor proposals not attaining the MAS will be disqualified.

    6.5.2. Failure to Meet Mandatory Requirement: Vendors must meet or exceed all mandatory requirements in order to move past the technical evaluation and have their cost proposals evaluated. Proposals failing to meet one or more mandatory requirements of the RFP will be disqualified.

6.6. Cost Bid Opening: The Purchasing Division will schedule a date and time to publicly open and announce cost proposals after technical evaluation has been completed and the Purchasing Division has approved the technical recommendation of the evaluation committee. All cost bids received will be opened. Cost bids for disqualified proposals will be opened for record keeping purposes only and will not be evaluated or considered. Once opened, the cost proposals will be provided to the Agency evaluation committee for cost evaluation.

    The Purchasing Division reserves the right to disqualify a proposal based upon deficiencies in the technical proposal even after the cost evaluation.

6.7. Cost Evaluation: The Agency evaluation committee will review the cost proposals, assign points in accordance with the cost evaluation formula contained herein and make a final recommendation to the Purchasing Division.

    Cost Evaluation Formula: Each cost proposal will have points assigned using the following formula for all Vendors not disqualified during the technical evaluation. The lowest cost of all proposals is divided by the cost of the proposal being evaluated to generate a cost score percentage. That percentage is then multiplied by the points attributable to the cost proposal to determine the number of points allocated to the cost proposal being evaluated.

    Step 1: Lowest Cost of All Proposals / Cost of Proposal Being Evaluated = Cost Score Percentage

    Step 2: Cost Score Percentage X Points Allocated to Cost Proposal = **Total Cost Score**

    Example:

    Proposal 1 Cost is $1,000,000
    Proposal 2 Cost is $1,100,000
    Points Allocated to Cost Proposal is 30

    Proposal 1:   Step 1 – $1,000,000 / $1,000,000 = Cost Score Percentage of 1 (100%)
                    Step 2 – 1 X 30 = Total Cost Score of 30

    Proposal 2:   Step 1– $1,000,000 / $1,100,000 = Cost Score Percentage of 0.909091 (90.9091%)
                    Step 2 – 0.909091 X 30 = Total Cost Score of 27.27273

REQUEST FOR PROPOSAL

6.8. Availability of Information: Proposal submissions become public and are available for review immediately after opening pursuant to West Virginia Code §5A-3-11(h). All other information associated with the RFP, including but not limited to, technical scores and reasons for disqualification, will not be available until after the contract has been awarded pursuant to West Virginia Code of State Rules §148-1-6.3.d.

By signing below, I certify that I have reviewed this Request for Proposal in its entirety; understand the requirements, terms and conditions, and other information contained herein; that I am submitting this proposal for review and consideration; that I am authorized by the bidder to execute this bid or any documents related thereto on bidder's behalf; that I am authorized to bind the bidder in a contractual relationship; and that, to the best of my knowledge, the bidder has properly registered with any State agency that may require registration.

Deloitte Consulting LLP
_____
(Company)

Art Stephens, Managing Director *arthur C. Stephen*
_____
(Representative Name, Title)

+1.717.512.8364
_____
(Contact Phone/Fax Number)

9/12/2022
_____
(Date)

Department of Administration
Purchasing Division
2019 Washington Street East
Post Office Box 50130
Charleston, WV 25305-0130

State of West Virginia
Centralized Request for Proposals
Consulting

Proc Folder:	1089655			**Reason for Modification:**
Doc Description: RFP for OT Assessment and Consulting Services (OT23016)				Addendum #1 to attach vendor questions and answers.
Proc Type:	Central Master Agreement			

Date Issued	Solicitation Closes	Solicitation No		Version
2022-09-08	2022-09-15 13:30	CRFP 0231 OOT2300000001		2

BID RECEIVING LOCATION

BID CLERK
DEPARTMENT OF ADMINISTRATION
PURCHASING DIVISION
2019 WASHINGTON ST E
CHARLESTON   WV   25305
US

VENDOR

Vendor Customer Code: 527665

Vendor Name : DELOITTE CONSULTING

Address : 30 NORTH THIRD STREET, SUITE 800

Street :

City : HARRISBURG

State : PA   **Country :** USA   **Zip :** 17101

Principal Contact : ART STEPHENS

Vendor Contact Phone: 717-512-8364   **Extension:**

FOR INFORMATION CONTACT THE BUYER
Jessica L Hovanec
304-558-2314
jessica.l.hovanec@wv.gov

Vendor Signature X arthur C. Stephen   **FEIN#** 06-1454513   **DATE** 8/8/2022

All offers subject to all terms and conditions contained in this solicitation

ADDITIONAL INFORMATION

Addendum #1 to attach Vendor Questions and Answers.

The West Virginia Purchasing Division is issuing this solicitation as a request for proposal (RFP) on behalf of the West Virginia Office of Technology (WVOT) for Consulting Services to establish strategic technology management services within the WVOT per the specifications and terms and conditions as attached hereto.

ONLINE SUBMISSIONS FOR THIS REQUEST FOR PROPOSAL (RFP) ARE PROHIBITED

***ADDITIONALLY, the Vendor should clearly separate the cost proposal from the technical proposal in a separately sealed envelope.

INVOICE TO	SHIP TO
DEPARTMENT OF ADMINISTRATION OFFICE OF TECHNOLOGY 1900 KANAWHA BLVD E, BLDG 5 10TH FLOOR CHARLESTON WV 25305 US	WV OFFICE OF TECHNOLOGY BLDG 5, 10TH FLOOR 1900 KANAWHA BLVD E CHARLESTON WV 25305 US

Line	Comm Ln Desc	Qty	Unit of Measure	Unit Price	Total Price
1	See Pricing Page - Attachment A	1.00000	EA		

Comm Code	Manufacturer	Specification	Model #
80101507			

Extended Description:
See Pricing Page - Attachment A

SCHEDULE OF EVENTS

Line	Event	Event Date
1	Technical Questions due by September 1, 2022 at 10:00 AM ET	2022-09-01

SOLICITATION NUMBER: CRFP OOT2300000001
Addendum Number: 1

The purpose of this addendum is to modify the solicitation identified as CRFP OOT2300000001 ("Solicitation") to reflect the change(s) identified and described below.

Applicable Addendum Category:

[ ]   Modify bid opening date and time

[ ]   Modify specifications of product or service being sought

[X]   Attachment of vendor questions and responses

[ ]   Attachment of pre-bid sign-in sheet

[ ]   Correction of error

[ ]   Other

Description of Modification to Solicitation:

1) To attach the vendor questions and answers

Additional Documentation: Documentation related to this Addendum (if any) has been included herewith as Attachment A and is specifically incorporated herein by reference.

Terms and Conditions:

1. All provisions of the Solicitation and other addenda not modified herein shall remain in full force and effect.

2. Vendor should acknowledge receipt of all addenda issued for this Solicitation by completing an Addendum Acknowledgment, a copy of which is included herewith. Failure to acknowledge addenda may result in bid disqualification. The addendum acknowledgement should be submitted with the bid to expedite document processing.

ADDENDUM ACKNOWLEDGEMENT FORM
SOLICITATION NO.: CRFP OOT2300000001

Instructions: Please acknowledge receipt of all addenda issued with this solicitation by completing this addendum acknowledgment form. Check the box next to each addendum received and sign below. Failure to acknowledge addenda may result in bid disqualification.

Acknowledgment: I hereby acknowledge receipt of the following addenda and have made the necessary revisions to my proposal, plans and/or specification, etc.

Addendum Numbers Received:
(Check the box next to each addendum received)

[X] Addendum No. 1   [ ] Addendum No. 6

[ ] Addendum No. 2   [ ] Addendum No. 7

[ ] Addendum No. 3   [ ] Addendum No. 8

[ ] Addendum No. 4   [ ] Addendum No. 9

[ ] Addendum No. 5   [ ] Addendum No. 10

I understand that failure to confirm the receipt of addenda may be cause for rejection of this bid. I further understand that that any verbal representation made or assumed to be made during any oral discussion held between Vendor's representatives and any state personnel is not binding. Only the information issued in writing and added to the specifications by an official addendum is binding.

DELOITTE CONSULTING
Company

arthur C. Stephen
Authorized Signature

_9/8/2022_
Date

NOTE: This addendum acknowledgement should be submitted with the bid to expedite document processing.

	Department of Administration Purchasing Division 2019 Washington Street East Post Office Box 50130 Charleston, WV 25305-0130	**State of West Virginia** **Centralized Request for Proposals** **Consulting**

Proc Folder:	1089655		**Reason for Modification:**
Doc Description: RFP for OT Assessment and Consulting Services (OT23016)			Addendum #1 to attach vendor questions and answers.
Proc Type:	Central Master Agreement		

Date Issued	Solicitation Closes	Solicitation No	Version
2022-09-08	2022-09-15 13:30	CRFP 0231 OOT2300000001	2

BID RECEIVING LOCATION

BID CLERK
DEPARTMENT OF ADMINISTRATION
PURCHASING DIVISION
2019 WASHINGTON ST E
CHARLESTON   WV   25305
US

VENDOR

Vendor Customer Code: 527605

Vendor Name :   DELOITTE CONSULTING LLP

Address :   30 NORTH THIRD STREET, SUITE 800

Street :

City :

State :   HARRISBURG, PA   **Country :** USA   **Zip :** 17101

Principal Contact :   ART STEPHENS

Vendor Contact Phone: 717-512-8364   **Extension:**

FOR INFORMATION CONTACT THE BUYER
Jessica L Hovanec
304-558-2314
jessica.l.hovanec@wv.gov

Vendor Signature X arthur C. Stephen   **FEIN#** 06-1454513   **DATE** 9/8/2022

All offers subject to all terms and conditions contained in this solicitation

ADDITIONAL INFORMATION

Addendum #1 to attach Vendor Questions and Answers.

The West Virginia Purchasing Division is issuing this solicitation as a request for proposal (RFP) on behalf of the West Virginia Office of Technology (WVOT) for Consulting Services to establish strategic technology management services within the WVOT per the specifications and terms and conditions as attached hereto.

ONLINE SUBMISSIONS FOR THIS REQUEST FOR PROPOSAL (RFP) ARE PROHIBITED

***ADDITIONALLY, the Vendor should clearly separate the cost proposal from the technical proposal in a separately sealed envelope.

INVOICE TO	SHIP TO
DEPARTMENT OF ADMINISTRATION OFFICE OF TECHNOLOGY 1900 KANAWHA BLVD E, BLDG 5 10TH FLOOR CHARLESTON WV 25305 US	WV OFFICE OF TECHNOLOGY BLDG 5, 10TH FLOOR 1900 KANAWHA BLVD E CHARLESTON WV 25305 US

Line	Comm Ln Desc	Qty	Unit of Measure	Unit Price	Total Price
1	See Pricing Page - Attachment A	1.00000	EA		

Comm Code	Manufacturer	Specification	Model #
80101507			

Extended Description:
See Pricing Page - Attachment A

SCHEDULE OF EVENTS

Line	Event	Event Date
1	Technical Questions due by September 1, 2022 at 10:00 AM ET	2022-09-01

	Document Phase	Document Description	Page 3
OOT2300000001	Final	RFP for OT Assessment and Consulting Services (OT23016)	

ADDITIONAL TERMS AND CONDITIONS

See attached document(s) for additional Terms and Conditions