



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



ORIGINAL

BAFO

COST PROPOSAL  
RFP CPR12026

Opening Date: June 19, 2013 @ 1:30 PM



**Deloitte Consulting LLP**  
1012 Kanawha Blvd East  
Charleston, WV 25301

June 19, 2013

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

**RE: Cost Proposal – Final Offer in Response to the West Virginia Consolidated Public Retirement Board, New Line of Business Solution RFP No. CPR12026 – Request for Best and Final Offers (BAFO)**

Dear Ms. Ferrell:

Deloitte Consulting LLP (Deloitte) is pleased to submit to the West Virginia Consolidated Public Retirement Board (WVCPRB) our Cost Proposal response to your Request for Best and Final Offers (BAFO) for a New Line of Business (LOB) Solution. Our response has been provided in the format requested by WVCPRB and addresses your request for clarifications.

We have been careful reply to your BAFO request in a compliant manner. Compliance did however result in several material changes that impacted our costs. The specified payment schedule combined with holdback of 15% had the greatest impact. We are hopeful that if selected, CPRB will entertain a discussion on these topics so we can demonstrate the impact of Deloitte carrying a very large amount of cost for extended periods without significant payment. We are confident we can provide **cost reductions** while still providing a more balanced payment structure that includes adequate protection for the State against a lack of performance by Deloitte. Deloitte has a long history of negotiating successful contracts with the State of West Virginia and we commit to negotiating in good faith if selected for this very important project.

As specified in the BAFO Request, our proposal remains valid for 180 days from the BAFO submission deadline. We are prepared to provide timely responses to any additional questions that may arise during the WVCPRB's evaluation of our BAFO, please contact me at +1 312 486 1519 or via e-mail at [pbauer@deloitte.com](mailto:pbauer@deloitte.com).

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

Ms. Krista Ferrell  
RFP # CPR11001  
June 19, 2013  
Page 2 of 2

We look forward to the opportunity to work with WVCPRB on this important project.

Sincerely,

Deloitte Consulting LLP

By: 

Patrick D. Bauer  
Principal

# Cost Proposal

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

Cost Proposal	
WVCPRB Bid Summary	
Schedule 1	Hardware Costs for Functional Project Elements
Schedule 2	Commodity Software Costs for Functional Project Elements
Schedule 3	Services (Functional Project Elements)
Schedule 3A	Out Year Support
Schedule 4	Cost for Option 4: Data Cleansing
Schedule 5	Cost for Option 5: Vendor Delivery of Employer Training
Schedule 6	Cost for Option 6: Replacement of Existing Application Xtender Imaging System
Schedule 7	Cost Estimate by Project Phase



## WVCPRB Bid Summary

Deloitte has included a preliminary project staffing plan in Attachment 3 of our BAFO Technical proposal that provides a summary, by staff position of the number of hours for vendor support services. The blended hourly rate associated with our bid is included on Schedule 3.

Deloitte's DPAS solution license provides WVCPRB with a perpetual, irrevocable software license to use and maintain DPAS without **any** ongoing annual licensing costs. We firmly believe our solution provides WVCPRB with the lowest long-term total cost of ownership and best value to the constituents of West Virginia. However, Deloitte has included on the Bid Summary in the "LOB Application License Fee" cell a DPAS installation fee to maintain consistent payment points with our competitors. As specified in the BAFO Section 2.1.11.1, we would expect to invoice WVCPRB for the installation fee after completion of a working conference room pilot.

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

**Vendor's Fixed Price Cost Proposal**  
**Vendor: Deloitte Consulting LLP**

Project Element	Year 1	Year 2	Year 3	Warranty Period	Out Year Support Period	Totals
<b>Functional Project Elements</b>						
Hardware	\$622,491.00					\$622,491.00
Commodity Software	\$1,266,166.00					\$1,266,166.00
Services	\$7,237,753.19	\$11,705,735.00	\$2,090,159.59	\$3,857,238.22	\$203,632.00	\$25,094,518.00
LOB Application License Fee	\$3,000,000.00	\$0.00	\$0.00	\$0.00	\$0.00	\$3,000,000.00
LOB Application Source Code (WV specific)	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00
<b>TOTAL - Functional</b>	<b>\$12,126,410.19</b>	<b>\$11,705,735.00</b>	<b>\$2,090,159.59</b>	<b>\$3,857,238.22</b>	<b>\$203,632.00</b>	<b>\$29,983,175.00</b>
<b>Optional Project Elements (through implementation and warranty period)</b>						
Option 1 – Hardware Procurement						\$622,491.00
Option 2 – Commodity Software Procurement						\$1,266,166.00
Option 3 – LOB Application Source Code (Base)						\$0.00
Option 4 – Data Cleansing	\$297,980.00	\$0.00	\$0.00	\$0.00		\$297,980.00
Option 5 – Vendor Delivery of Employer Training	\$0.00	\$0.00	\$166,080.00	\$0.00		\$166,080.00
Option 6 – Replace Application Xtender Imaging	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00
Option 7 – Deferred Retirement Option Plan						\$349,424.00
<b>TOTAL – Options</b>	<b>\$297,980.00</b>	<b>\$0.00</b>	<b>\$166,080.00</b>	<b>\$0.00</b>		<b>\$813,484.00</b>
<b>GRAND TOTAL - FUNCTIONAL + OPTIONS</b>	<b>\$12,424,390.19</b>	<b>\$11,705,735.00</b>	<b>\$2,256,239.59</b>	<b>\$3,857,238.22</b>	<b>\$203,632.00</b>	<b>\$30,796,659.00</b>
<b>Incremental Costs</b>						
Script editing						\$137.00
TBS						\$0.00
TBS						\$0.00
TBS						\$0.00
TBS						\$0.00
TBS						\$0.00
TBS						\$0.00
TBS						\$0.00
TBS						\$0.00
TBS						\$0.00

## Schedule 1 – Hardware Costs for Functional Project Elements

The following table describes the updated hardware and associated costs that are required for the solution based on the BAFO clarification. Solution components already in use by WVCPRB, (e.g., network components, domain services, data center, core printing services, etc.) that can be leveraged as part of the solution are not included, but were provided in Attachment 4 of our Technical BAFO. The pricing includes five years of maintenance as specified in RFP Section 2.5.5.2 Servers for the HP Servers. For information regarding the included maintenance with the other components, please refer to BAFO Technical Proposal, Attachment 4: Hardware and Commodity Software.







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

The following table describes updated commodity software and associated costs that are required for the solution based on the BAFO clarification. Solution components already in use by WVCPRB, (e.g., domain services, Microsoft Office, SharePoint, etc.) that can be leveraged as part of the solution are not included, but were provided in Attachment 4 of our Technical BAFO. For information regarding the licensing and maintenance with the commodity software components, please refer to BAFO Technical Proposal, Attachment 4: Hardware and Commodity Software.

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

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

1	2	3	4	5	6	7
ITEM NO	# OF COPIES	MANUFACTURER	MODEL	DESCRIPTION	UNIT COST	TOTAL
1	2	Adobe	e Captivate 6	Learning Development Software	\$981	\$1,962
2	1	Adobe	RoboHelp 10	Help Authoring	\$1,087	\$1,087
3	3	Balsamiq	s for Desktop	Screen Mockup Tool	\$71	\$213
4	1	Embarcadero	Data Architect	Database Modeling	\$1,769	\$1,769
5	24	EMC	Enterprise Plus	Sphere Host Server Software	\$3,850	\$92,400
6	2	EMC	Verity Manager	Disaster Recovery Software	\$5,397	\$10,794
7	1	EMC	Server Standard	Management Server Software	\$5,501	\$5,501
8	2	EMC	USER PACK	g and Workflow Components	\$40,594	\$81,188
9	1	EMC	SERVER SERVER	g and Workflow Components	\$2,707	\$2,707
10	1	EMC	SERVER - FORMS	g and Workflow Components	\$2,707	\$2,707
11	10	EMC	CC USER PK	g and Workflow Components	\$5,954	\$59,540
12	2	EMC	5 CC USERS	g and Workflow Components	\$13,532	\$27,064
13	1	EMC	OCR SERVER	g and Workflow Components	\$2,165	\$2,165
14	1	EMC	OC User Pack	g and Workflow Components	\$32,800	\$32,800
15	2	EMC	TK2 SERVER	g and Workflow Components	\$4,330	\$8,660
16	2	EMC	5 CC USERS	g and Workflow Components	\$7,713	\$15,426
17	1	EMC	OPY BUNDLE	pturing Software Components	\$83,353	\$83,353
18	5	EMC	PERPETUAL	pturing Software Components	\$5,240	\$26,200
19	3	EMC	DED CLIENT	pturing Software Components	\$3,789	\$11,367
20	1	EMC	(STANDARD)	pturing Software Components	\$1,083	\$1,083
21	1	EMC	USER PACK	g and Workflow Components	\$4,060	\$4,060
22	1	EMC	SERVER SERVER	g and Workflow Components	\$1,354	\$1,354
23	1	EMC	SERVER - FORMS	g and Workflow Components	\$1,354	\$1,354
24	1	EMC	CC USER PK	g and Workflow Components	\$2,977	\$2,977
25	1	EMC	5 CC USERS	g and Workflow Components	\$1,354	\$1,354
26	1	InRule	Author, iSDK	and Business Rule Authoring	\$436,800	\$436,800
27	2	Funasset	ilentPrint Pro	Printing Software	\$2,188	\$4,376
28	1	Melissa Data	Web Service	Address Validation	\$14,175	\$14,175
29	85	Microsoft	Standard CAL	laboration and Forms Software	\$98	\$8,330
30	1	Microsoft	repoint 2013	laboration and Forms Software	\$9,983	\$9,983
31	85	Microsoft	Standard CAL	laboration and Forms Software	\$93	\$7,905
32	12	Microsoft	prise Edition	Database Software	\$11,109	\$133,308
33	12	Microsoft	ndard Edition	Database Software	\$2,898	\$34,776
34	35	Microsoft	ndard Edition	m and Application Monitoring	\$714	\$24,990
35	4	Microsoft	012 Standard	Operating System	\$714	\$2,856
36	12	Microsoft	2 Datacenter	Operating System	\$3,887	\$46,644
37	20	Microsoft	Desktop CAL	Remote Desktop Calls	\$69	\$1,380
38	1	Microsoft	udio Ultimate	Development Tools	\$8,226	\$8,226
39	3	Microsoft	Professional	Development Tools	\$1,368	\$4,104
40	1	Microsoft	ication Server	ion Control, Defects Tracking	\$314	\$314
41	20	Microsoft	n Server CAL	ion Control, Defects Tracking	\$314	\$6,280
42	1	Open Text	prise Server	Fax System	\$6,835	\$6,835





## Schedule 3 – Services (Functional Project Elements)

The Deloitte Firm Fixed Price Cost Proposal for Functional Project Elements is presented, by project calendar year, in the following table:

Deloitte's Response to Request for Best and Final Offers (BAFO)  
 West Virginia Consolidated Public Retirement Board (WVCPRB)  
 New Line of Business Solution RFP CPR12026

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

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

Cost Element	Year 1			Year 2			Year 3			Warranty / Post Warranty Period			Total Hours	Total Cost
	\$/hr	Hours	Total	\$/hr	Hours	Total	\$/hr	Hours	Total	\$/hr	Hours	Total		
<b>Requirements Analysis</b>														
Manager	\$122	2176.76	\$264,856.30	\$122	2005.59	\$244,029.52	\$122	698.32	\$84,967.97				4880.66	\$593,853.79
Business Analyst	\$122	4522.70	\$550,298.39	\$122	7184.31	\$874,150.01	\$122	136.15	\$138,241.33				12843.16	\$1,562,689.73
Programmer	\$122	3349.56	\$407,557.37	\$122	6002.58	\$730,363.19	\$122	659.53	\$80,248.54				10116.8	\$1,218,169.11
Other	\$122	226.69	\$27,582.22	\$122	959.60	\$116,758.68	\$122	333.08	\$40,527.45				1519.36	\$184,868.36
<b>Subtotal</b>		10275.70	\$1,250,294.29		16152.08	\$1,965,301.41		2827.09	\$343,985.30				29254.87	\$3,559,581.00
<b>Software Modifications Development</b>														
Manager	\$122	621.93	\$75,673.23	\$122	573.03	\$69,722.72	\$122	199.52	\$24,276.56				1394.48	\$169,672.51
Business Analyst	\$122	3844.29	\$467,753.63	\$122	6106.67	\$743,027.51	\$122	965.73	\$117,505.33				10916.69	\$1,328,286.27
Programmer	\$122	5135.99	\$624,921.30	\$122	9203.96	\$1,119,890.23	\$122	1011.28	\$123,047.77				15351.24	\$1,867,859.30
Other	\$122	206.08	\$25,074.75	\$122	872.36	\$106,144.26	\$122	302.80	\$36,843.34				1381.24	\$168,062.15
<b>Subtotal</b>		9808.30	\$1,193,422.92		16756.01	\$2,038,784.72		2479.33	\$301,672.60				29043.64	\$3,533,880.23
<b>Hardware and Commodity Software Installation and Configuration</b>														
Manager	\$122	373.16	\$45,403.94	\$122	343.82	\$41,833.63	\$122	119.71	\$14,565.94				836.69	\$101,803.51
Business Analyst	\$122	678.40	\$82,544.76	\$122	1077.65	\$131,225.50	\$122	170.42	\$20,736.20				1926.47	\$234,403.46
Programmer	\$122	446.61	\$54,340.98	\$122	800.34	\$97,381.76	\$122	87.94	\$10,699.81				1334.89	\$162,422.55
Other	\$122	103.04	\$12,537.37	\$122	436.18	\$53,072.13	\$122	151.40	\$18,421.57				690.62	\$84,031.07
<b>Subtotal</b>		1601.21	\$194,827.05		2657.99	\$323,410.02		529.47	\$64,423.51				4788.67	\$582,660.59
<b>Integration</b>														
Manager	\$122	0.00	\$0.00	\$122	0.00	\$0.00	\$122	0.00	\$0.00				0.00	\$0.00
Business Analyst	\$122	2713.62	\$330,179.04	\$122	4310.59	\$524,490.01	\$122	681.69	\$82,944.80				7705.90	\$937,613.84
Programmer	\$122	1165.21	\$135,852.58	\$122	2000.86	\$2,434,543.98	\$122	2198.44	\$267,495.15				33372.26	\$4,060,563.70
Other	\$122	41.22	\$5,014.95	\$122	174.47	\$21,228.85	\$122	60.56	\$7,368.63				276.25	\$33,612.43
<b>Subtotal</b>		13920.04	\$1,693,718.56		24493.67	\$2,980,262.84		2940.70	\$357,808.57				41354.40	\$5,031,789.97
<b>Conversion and Bridging</b>														
Manager	\$122	310.97	\$37,836.61	\$122	286.51	\$34,861.36	\$122	99.76	\$12,138.28				697.24	\$84,836.26
Business Analyst	\$122	2713.62	\$330,179.04	\$122	4310.59	\$524,490.01	\$122	681.69	\$82,944.80				7705.90	\$937,613.84
Programmer	\$122	0.00	\$0.00	\$122	0.00	\$0.00	\$122	0.00	\$0.00				0.00	\$0.00
Other	\$122	206.08	\$25,074.75	\$122	872.36	\$106,144.26	\$122	302.80	\$36,843.34				1381.24	\$168,062.15
<b>Subtotal</b>		3230.66	\$393,090.40		5469.46	\$665,495.62		1084.25	\$131,926.22				9784.38	\$1,190,512.24
<b>Training</b>														
Manager	\$122	621.93	\$75,673.23	\$122	573.03	\$69,722.72	\$122	199.52	\$24,276.56				1394.48	\$169,672.51
Business Analyst	\$122	1809.08	\$220,119.36	\$122	2873.72	\$349,660.00	\$122	454.46	\$55,296.53				5137.27	\$625,075.89
Programmer	\$122	0.00	\$0.00	\$122	0.00	\$0.00	\$122	0.00	\$0.00				0.00	\$0.00
Other	\$122	103.04	\$12,537.37	\$122	436.18	\$53,072.13	\$122	151.40	\$18,421.57				690.62	\$84,031.07
WVCPRB Travel			\$5,000.00			\$10,000.00			\$10,000.00					\$25,000.00
<b>Subtotal</b>		2534.05	\$313,329.96		3882.93	\$482,454.85		805.38	\$107,994.66				7222.36	\$903,779.48



Delaware's Response to Request for Best and Final Offers (BAFO)  
 West Virginia Consolidated Public Retirement Board (WVCPRB)  
 New Line of Business Solution RFP CPR12026

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

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

Cost Element	Year 1			Year 2			Year 3			Warranty / Post Warranty Period			Total Hours	Total Cost
	\$/hr	Hours	Total	\$/hr	Hours	Total	\$/hr	Hours	Total	\$/hr	Hours	Total		
<b>Testing</b>														
Manager	\$122	119.47	\$136,211.81	\$122	1031.45	\$125,500.90	\$122	359.14	\$43,697.81				2510.06	\$305,410.52
Business Analyst	\$122	4070.43	\$495,268.55	\$122	6465.88	\$786,735.01	\$122	1022.54	\$124,417.20				1558.85	\$1406,420.76
Programmer	\$122	2233.04	\$271,704.92	\$122	4001.72	\$486,908.80	\$122	439.69	\$53,499.03				6674.45	\$812,112.74
Other	\$122	927.36	\$113,237.92	\$122	3925.62	\$477,649.16	\$122	1362.60	\$165,794.13				6215.58	\$756,279.66
<b>Subtotal</b>		8350.30	\$1,016,021.65		15424.67	\$1,876,793.86		3183.96	\$387,408.17				26958.93	\$3,280,223.68
<b>Document Preparation</b>														
Manager	\$122	995	\$121,077.17	\$122	917	\$111,556.35	\$122	319	\$38,842.50				2231.16	\$271,476.02
Business Analyst	\$122	2,261	\$275,149.20	\$122	3,592	\$437,075.00	\$122	568	\$69,120.66				6421.58	\$781,344.87
Programmer	\$122	0	\$0.00	\$122	0	\$0.00	\$122	0	\$0.00				0.00	\$0.00
Other	\$122	247	\$30,089.70	\$122	1,047	\$127,373.11	\$122	363	\$44,211.77				1657.49	\$201,674.58
<b>Subtotal</b>		3503.73	\$426,316.06		5555.83	\$676,004.47		1250.67	\$152,174.93				10310.23	\$1,254,495.46
<b>Project Management</b>														
Manager	\$122	6219.30	\$756,732.29	\$122	5730.25	\$697,227.21	\$122	1995.20	\$242,765.63				13944.75	\$1,696,725.13
Business Analyst	\$122	0.00	\$0.00	\$122	0.00	\$0.00	\$122	0.00	\$0.00				0.00	\$0.00
Programmer	\$122	0.00	\$0.00	\$122	0.00	\$0.00	\$122	0.00	\$0.00				0.00	\$0.00
Other	\$122	0.00	\$0.00	\$122	0.00	\$0.00	\$122	0.00	\$0.00				0.00	\$0.00
<b>Subtotal</b>		6219.30	\$756,732.29		5730.25	\$697,227.21		1995.20	\$242,765.63				13944.75	\$1,696,725.13
<b>LOB Application Software Warranty for 12 Months after Final Acceptance (Maintenance and Support)</b>														
Manager										\$122	2754.20	\$335,116.83	2754.20	\$335,116.83
Business Analyst										\$122	10725.00	\$1,304,962.58	10725.00	\$1,304,962.58
Programmer										\$122	14046.00	\$1,709,044.70	14046.00	\$1,709,044.70
Other										\$122	0.00	\$0.00	0.00	\$0.00
<b>Subtotal</b>											27525.20	\$3,349,124.11	27525.20	\$3,349,124.11
<b>One Year of Post Warranty IT Support</b>														
Manager										\$122	0.00	\$0.00	0.00	\$0.00
Business Analyst										\$122	0.00	\$0.00	0.00	\$0.00
Programmer										\$122	2088.00	\$254,057.05	2088.00	\$254,057.05
Other										\$122	0.00	\$0.00	0.00	\$0.00
<b>Subtotal</b>											2088.00	\$254,057.05	2088.00	\$254,057.05
<b>One Year of Post Warranty Operations Support</b>														
Manager										\$122	0.00	\$0.00	0.00	\$0.00
Business Analyst										\$122	2088.00	\$254,057.05	2088.00	\$254,057.05
Programmer										\$122	0.00	\$0.00	0.00	\$0.00
Other										\$122	0.00	\$0.00	0.00	\$0.00
<b>Subtotal</b>											2088.00	\$254,057.05	2088.00	\$254,057.05



Delaware's Response to Request for Best and Final Offers (BAFO)  
 West Virginia Consolidated Public Retirement Board (WVCPRB)  
 New Line of Business Solution RFP CPR12026

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

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

Cost Element	Year 1			Year 2			Year 3			Warranty / Post Warranty Period			Total Hours	Total Cost
	\$/hr	Hours	Total	\$/hr	Hours	Total	\$/hr	Hours	Total	\$/hr	Hours	Total		
<b>Other Support Services</b>														
Manager	\$122	0.00	\$0.00	\$122	0.00	\$0.00	\$122	0.00	\$0.00				0.00	\$0.00
Business Analyst	\$122	0.00	\$0.00	\$122	0.00	\$0.00	\$122	0.00	\$0.00				0.00	\$0.00
Programmer	\$122	0.00	\$0.00	\$122	0.00	\$0.00	\$122	0.00	\$0.00				0.00	\$0.00
Other	\$122	0.00	\$0.00	\$122	0.00	\$0.00	\$122	0.00	\$0.00				0.00	\$0.00
<b>Subtotal</b>		0.00	\$0.00		0.00	\$0.00		0.00	\$0.00				0.00	\$0.00
<b>Services Total</b>		59443.30	\$7,237,753.19		96122.88	\$11,705,735.00		17096.05	\$2,090,159.59				3170120	\$3,857,238.22
<b>Other Costs</b>														
LOB Application License Fee			\$3,000,000.00			\$0.00			\$0.00					\$0.00
Source Code														\$0.00
<b>GRAND TOTAL</b>			\$10,237,753.19			\$11,705,735.00			\$2,090,159.59					\$3,857,238.22

Script editing														\$137.00
TBS														\$0.00
TBS														\$0.00
TBS														\$0.00
TBS														\$0.00
TBS														\$0.00
TBS														\$0.00
TBS														\$0.00
TBS														\$0.00
TBS														\$0.00

## Schedule 3A – Out Year Support

Deloitte has clarified the Out Year support to include the following:

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

The Deloitte implementation approach is designed to prepare and transition full operations and maintenance of DPAS to WVCPRB, like we have for many of our other DPAS clients. This approach provides WVCPRB the flexibility to maintain the solution with or without Deloitte support. Be assured, if there are circumstances requiring Deloitte to provide additional support at the end of the Warranty and Post-Implementation Support periods, Deloitte offers several options to meet WVCPRB needs at additional costs.

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



Deloitte's Response to Request for Best and Final Offers (BAFO)  
 West Virginia Consolidated Public Retirement Board (WVCPRB)  
 New Line of Business Solution RFP CPR12026

Vendor's Firm Fixed Price Cost Proposal for Out Year Support  
 Service Related and Miscellaneous Costs and Fees

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

**Proposals including any annual rate increases greater than 3% will be disqualified.**

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



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

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

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

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

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

Cost Element	Year 1 Cost			Year 2 Cost			Year 3 Cost			Warranty Period			Total Hours	Total Cost
	\$/hr	Hours	Total	\$/hr	Hours	Total	\$/hr	Hours	Total	\$/hr	Hours	Total		
<b>Services</b>														
Manager	\$204.00	100	\$20,400.00			\$0.00			\$0.00			\$0.00	100	\$20,400.00
Business Analyst	\$173.00	480	\$83,040.00			\$0.00			\$0.00			\$0.00	480	\$83,040.00
Programmer	\$137.00	1420	\$194,540.00			\$0.00			\$0.00			\$0.00	1420	\$194,540.00
Position:			\$0.00			\$0.00			\$0.00			\$0.00	0	\$0.00
Position:			\$0.00			\$0.00			\$0.00			\$0.00	0	\$0.00
Position:			\$0.00			\$0.00			\$0.00			\$0.00	0	\$0.00
Position:			\$0.00			\$0.00			\$0.00			\$0.00	0	\$0.00
<b>Subtotal</b>		2000	\$297,980.00		0	\$0.00		0	\$0.00		0	\$0.00	2000	\$297,980.00
<b>Additional Hardware (if any)</b>														
														\$0.00
														\$0.00
														\$0.00
														\$0.00
														\$0.00
<b>Subtotal</b>			\$0.00			\$0.00			\$0.00			\$0.00		\$0.00
<b>Additional Commodity Software (if any)</b>														
														\$0.00
														\$0.00
														\$0.00
														\$0.00
														\$0.00
<b>Subtotal</b>			\$0.00			\$0.00			\$0.00			\$0.00		\$0.00
<b>Miscellaneous Costs (if any)</b>														
														\$0.00
														\$0.00
														\$0.00
<b>Subtotal</b>			\$0.00			\$0.00			\$0.00			\$0.00		\$0.00
<b>GRAND TOTALS</b>		2000	\$297,980.00		0	\$0.00		0	\$0.00		0	\$0.00	2000	\$297,980.00

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

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

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



Deloitte's Response to Request for Best and Final Offers (BAFO)  
 West Virginia Consolidated Public Retirement Board (WVCPRB)  
 New Line of Business Solution RFP CPR12026

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

Vendor's Firm Fixed Price Cost Proposal

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

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

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

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

Deloitte's Response to Request for Best and Final Offers (BAFO)  
 West Virginia Consolidated Public Retirement Board (WVCPRB)  
 New Line of Business Solution RFP CPR12026

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

Vendor's Firm Fixed Price Cost Proposal

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

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



## Schedule 7 – Cost Estimate by Project Phase

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

West Virginia Consolidated Public Retirement Board - Schedule 7 Vendor's Service Cost by Project Phase Assume Functional Project Elements Only Listed Are Preliminary Project Phases Defined in RFP - vendor Should Add Functional Rollout Phases as Appropriate	
Project Phase	Cost
Phase 1: Project Workplan Development	\$1,243,294
Phase 2: Detailed Requirements Development	\$1,740,612
Phase 3: HW/SW Infrastructure Implementation	\$745,977
Phase 4a: Membership (Release 1)	\$11,960,625
Phase 4b: Benefits (Release 2)	\$7,211,107
Phase 5: Post Implementation Warranty	\$1,491,953
Phase 6: Post Implementation IT Support	\$497,318
	\$0
	\$0
	\$0
	\$0
	\$0
	\$0
<b>Total</b>	<b>\$24,890,886</b>