

Commonwealth of Virginia ITCL Contract

Statement of Work (SOW) Process

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Agency, Supply Chain Management



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Introduction

This document describes the Statement of Work (SOW) Process implemented by CAI and used by the Commonwealth of Virginia to engage Fixed price deliverables-based IT services or Operation & Maintenance (O&M) services under the ITCL Contract. Each of the remaining sections of this document detail the phases of the SOW procurement process, including:

- Inception
- Selection
- Engagement
- Project
- Finalization
- Exception: Change Request
- Exception: Termination of SOW

Each section will include a brief description of the phase and an outline of the key tasks associated with it. Each section ends with a process flow diagram highlighting key events, sequencing and decision points.

1. Inception Phase

Description

The Inception Phase begins when the requestor/Agency, hereafter referred to as Authorized User (AU), recognizes the need for IT services above and beyond his/her staff and believes that the Fixed Price Deliverable-based SOW or Operations and Maintenance SOW process is needed. During this period of time, the Authorized User articulates those needs by filling out the Statement of Requirements (SOR) template

During this phase, the CAI Account Manager will work with the Authorized User to determine if the work can be accomplished using Staff Augmentation services. The CAI Account Manager may consult with VITA or request additional information to assist with this decision. In making this decision, the CAI Account Manager will evaluate the services needed and the User's capacity to manage the resources.

The Inception Phase ends with the determination of the engagement method and the completion of the SOR document.

Tasks

1.1 Determine the Engagement Method

When the SOR is being developed, the determination of the engagement method must be made. Agencies should work with their CAI account manager and may enlist the guidance of VITA SCM.

Listed here are some indicators that can be used to choose which ITCL approach is to be used to obtain services:

Staff Augmentation	Statement of Work (SOW)
<ul style="list-style-type: none"> Customer obtains an individual contract resource(s) 	<ul style="list-style-type: none"> Customer selects a consulting firm to produce a defined, work product or scope of work
<ul style="list-style-type: none"> Used to address shorter term staffing needs or to provide specialized expertise or skills not on staff 	<ul style="list-style-type: none"> Used for projects when the scope of work, timelines and expected outcomes can be clearly defined
<ul style="list-style-type: none"> Work products cannot be easily specified in advance 	<ul style="list-style-type: none"> Customer can describe the specifics of the work-products, acceptance criteria and other acceptable terms to be agreed upon for the engagement
<ul style="list-style-type: none"> Customer pays for time/hours worked by the contract resource 	<ul style="list-style-type: none"> Customer pays an agreed upon fixed amount for one or more predefined work products

<ul style="list-style-type: none"> • Customer manager supervises the work and the resource(s) in order to get work completed 	<ul style="list-style-type: none"> • The consulting firm manages resources to produce the work products (Consultant employs skill sets needed to achieve the desired result.)
<ul style="list-style-type: none"> • Customer provides and pays for the required materials, tools or equipment to get the work accomplished 	<ul style="list-style-type: none"> • Customer is not concerned with amount of people or materials the consultants use to deliver the work product

In some situations, the scope of the initiative and work involved requires a business analyst or additional assistance to clearly define the outcomes. When this is the case, the authorized user may engage resources through the staff augmentation portion of the program or may want to proceed with a phased approach where a smaller and separate SOW engagement is done to complete the requirements definition.

1.2 Authorized User Prepares SOR

Both the Fixed Price, Deliverables-based SOR and the Operations and Maintenance SOR templates can be downloaded by all Virginia Authorized User personnel from the VITA SCM website: <http://www.vita.virginia.gov/scm>

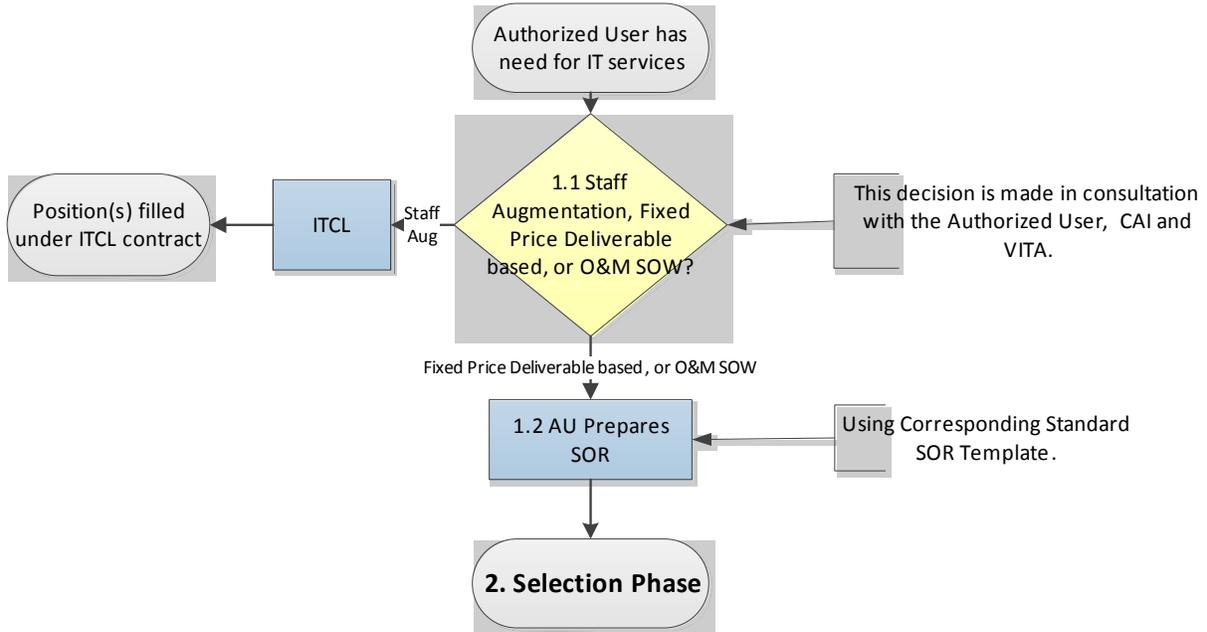
The SOR template is designed for Authorized User(s) to easily describe the IT services needed to a CAI Subcontractor or approver in a consistent manner. It includes criteria such as project roles and responsibilities, scope and deliverables.

Authorized User(s) fill in the areas designated for entry and save the document under a unique name. This document is the expression of need by the Authorized User and can be used for any internal approvals.

Process Flow

1. Inception Phase

ITCL SOW Process



2. Selection Phase

Description

The Selection Phase begins when an Authorized User's IT services needs, articulated through the SOR, are deemed either a fixed price, deliverable-based project or O&M support and are acquired using the SOW process. At this point, a requirement is entered into the Peoplefluent tool, using the 'Projects' functions. The Authorized User enters information about the request for services and attaches the SOR and any other associated files. A due date for responses is designated. To allow Suppliers adequate time to respond to the requisition with a quality SOW the minimum response time is:

- small – medium size project 2 week response time
- medium – large size project 3 – 4 week response time

After entering the SOR, the CAI Account Manager reviews it for completeness and consistency. If changes are needed, the CAI Account Manager contacts the Authorized User to discuss the required changes, and the Authorized User will update the SOR document and/or requirement with the agreed upon changes. The Authorized User will also provide the Account Manager with an estimated budget for the project which will not be shared with the CAI Subcontractors. This budget will only be used to determine which CAI Subcontractors are qualified to respond to Fixed Price Deliverable SORs. When complete and consistent, the CAI Account Manager approves the SOR and requirement for release. The completed SOR and the SOW template (for the CAI Subcontractor's response) are then released to pre-qualified CAI Subcontractors within the selected specialty area and budget tier.

Upon receipt of the Peoplefluent requirement, the CAI Subcontractors, referring to the SOR, develop their response using the SOW template provided within the requirement. The CAI Subcontractors must respond on or before the designated due date. Their response includes entering milestones and the associated price of each milestone for deliverable-based SOWs or entering the fixed monthly support fee and T&M support blended rate for O&M SOWs into the Peoplefluent tool, along with other identifying information. The CAI Subcontractors attach the required documents, including the SOW, and finalize the submission through Peoplefluent.

The response due date signifies the end of the Bidding Phase. By policy, all submissions received on or before the due date will be reviewed by the Authorized User.

Tasks

2.1 Authorized User Completes SOR

The Authorized User completes the SOR, per the instructions included with the SOR template, and acquires the appropriate approvals. Executive Branch agencies are reminded that SORs and SOW supporting Major IT Projects (those with a total value of 1 million or over or designated by SoTech as major) must be reviewed and approved in the same way a RFP or Contract is reviewed and approved for any major IT project. Specifically, the SOR and resulting SOW will be reviewed by VITA PMD, ITIM, EA, and Security for compliance with the appropriate IT strategic plans, polices, and standards of the Commonwealth.

2.2 Authorized User Enters SOR in Peoplefluent

The Authorized User enters the requirement in Peoplefluent, using the Projects function. The specific instructions for entering the requirement in Peoplefluent are described in the *“Entering A SOW Requirement”* section of the **VA Agency Peoplefluent Training Guide**. While being entered, the requirement can be saved as Draft for continuation at a later time. The requirement includes:

- Budget (will not display to CAI Subcontractors)
- Due date
- Project Manager and other Project Committee Members
- Short description of project
- Special instructions, such as cutoff for Q&A
- Attached SOR

The SOR and any other documents intended for the CAI Subcontractors are stored in Peoplefluent with the requirement.

When the Authorized User is satisfied with the content of the requirement, it is submitted for the CAI Account Manager’s review and approval.

2.3 CAI Reviews the SOR

After submission by the Authorized User, the requirement is reviewed for completeness and consistency by the CAI Account Manager. If information is missing or needs to be corrected, the CAI Account Manager works with the Authorized User to have the SOR updated. The CAI Account Manager will also attach the SOW Template to the requirement, which will be used by the CAI Subcontractors to develop their response. After a final review, the CAI Account Manager indicates Final Approval, which initiates the next task.

2.4 CAI Releases the SOR to Qualified CAI Subcontractors

After final approval, the SOR is released to the CAI Subcontractors, who are pre-qualified for the SOR’s designated specialty area and budget tier, through the Peoplefluent tool. This ensures that all active pre-qualified CAI Subcontractors for the specialty area and tier have equal opportunity to respond. All attachments will be available to the CAI Subcontractors when they receive the SOR.

CAI Subcontractor questions relating to the SOR will be directed to the CAI Account Manager who will in turn forward these to the Authorized User for response. All Q&A documents will be uploaded into Peoplefluent for all CAI Subcontractors to review. Authorized users are encouraged to hold a pre-bid conference with the qualified CAI Subcontractors to further clarify scope and answer additional questions.

2.5 CAI Subcontractors Submit SOW Responses

On or before the designated due date, participating CAI Subcontractors will submit a response to the SOR, using the SOW template included with the requirement. They will follow the instructions offered with the SOR or risk rejection. The CAI Subcontractors must respond through the Peoplefluent tool, entering required information into the tool, including listing of all milestones and the prices of each for deliverable-based SOWs or entering the fixed monthly support fee and T&M support blended rate for O&M SOWs . The prices

entered into Peoplefluent are consistent with the 'Authorized User Invoice Amount' prices that include the MSP Fee. The CAI Subcontractor will attach the completed SOW and any other files as required. When satisfied that the SOW is complete, the CAI Subcontractor submits it in Peoplefluent. CAI Subcontractors not interested in replying simply need not respond.

Each CAI Subcontractor submission generates an e-mail notification sent to the CAI Account Manager. The CAI Account Manager holds any early submissions until the deadline.

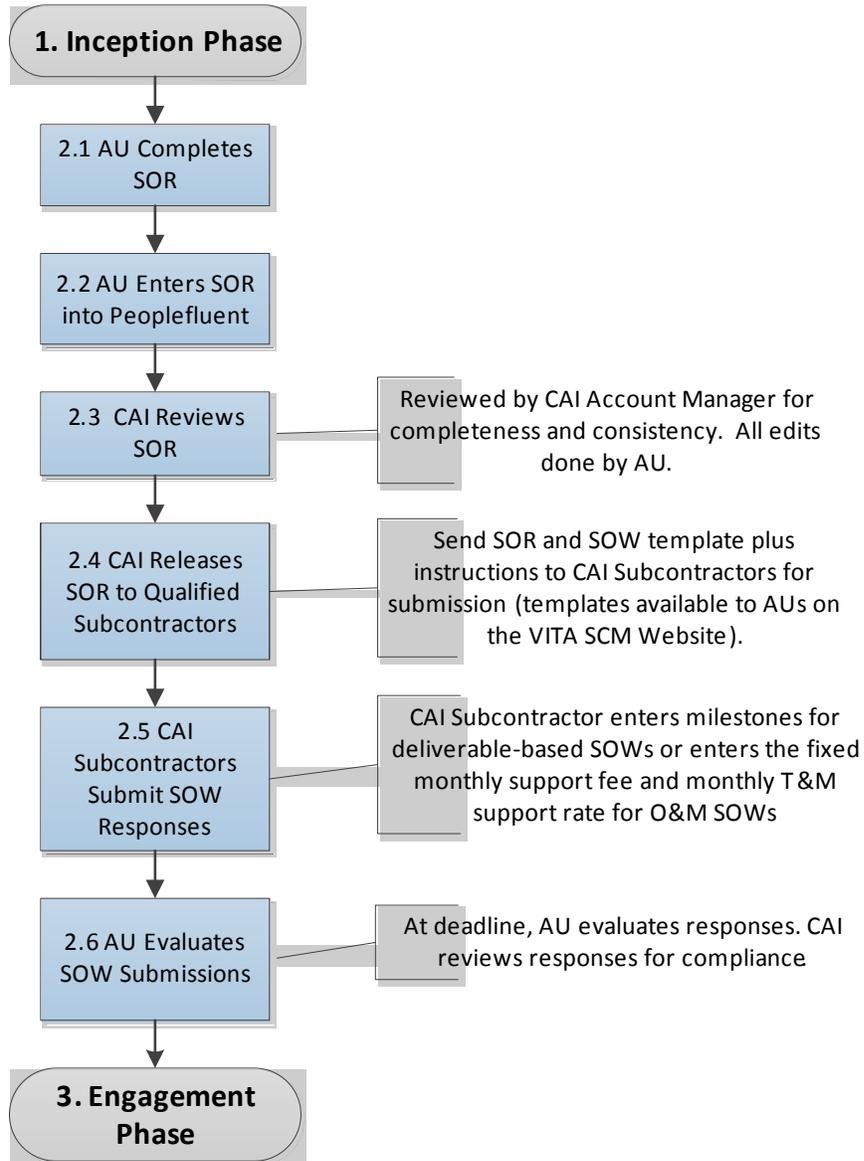
2.6 Authorized User Evaluates SOW Submissions

The Authorized User will evaluate all submissions received as of the due date. CAI will review each submission for format and compliance with submission requirements and will notify the Authorized User of any non-compliant submissions. Submissions received after the due date will, by policy, not be accepted. The Authorized User or their designee will review all of the submissions received on time.

Process Flow

2. Selection Phase

ITCL SOW Process



3. Engagement Phase

Description

The Engagement Phase begins with the review of the CAI Subcontractors' SOW submissions. After review for completeness, the Authorized User begins to evaluate the responses using evaluation criteria aimed at determining the "best solution". After careful consideration, they will determine the CAI Subcontractor to whom the work will be awarded. CAI will then notify all responding CAI Subcontractors of the award decision via email.

The Authorized User may negotiate with a CAI Subcontractor prior to engagement. Any changes to the scope, milestones and/or pricing are made by the CAI Subcontractor upon direction from the Authorized User contact.

Once the CAI Subcontractor and Authorized User have arrived at an agreeable SOW and pricing, the CAI Subcontractor uploads the negotiated SOW into Peoplefluent as a new attachment. The CAI Account Manager reviews the selected SOW and works with the CAI Subcontractor to ensure the SOW is complete and ready to be presented to the Authorized User for execution. When the SOW is finalized, CAI, as the Supplier, will sign the SOW with the Authorized User and will then sign the SOW with the CAI Subcontractor. The Authorized User will then create a purchase order in the eVA system, or their designated purchasing system, and will attach the signed SOW. When the PO is approved, the requirement is ready to be 'Engaged.'

Engagement is a defined process, both in Peoplefluent and in the ITCL process. By policy, CAI is responsible for engaging a project.

- When the requirement is marked 'Engaged' within Peoplefluent, notifications of the award are sent to all CAI Subcontractors; this notification serves as CAI's official authorization to the winning CAI Subcontractor that the PO is in place and that work on the project may begin.
- Onboarding, including the completion of required background checks, is coordinated by the CAI Account Manager with the selected CAI Subcontractor.
- A checklist of engagement tasks required by policy is followed to properly set up milestones, fees, supplier resources, CAI Subcontractors, and holdback as needed for proper invoicing during the project's time span.

After all engagement tasks have been completed, the Engagement Phase ends, and work on the project can begin.

Tasks

3.1 CAI Subcontractor Is Chosen

The Authorized User evaluates the responses and determines the best CAI Subcontractor solution for award. The evaluation process is done off-line. During this process, the Authorized User may negotiate with the CAI Subcontractor on price, deliverables, and/or timetable. If these negotiations result in changes to the information submitted by the CAI Subcontractor (i.e., scope, milestones, schedule, pricing), the CAI Subcontractor makes those agreed upon changes in the Peoplefluent requirement and to the SOW document prior to engagement.

3.2 Authorized User Notifies CAI of CAI Subcontractor Selection

The Authorized User communicates their award decision to the CAI Account Manager, who then notifies all responding CAI Subcontractors of the Authorized User's selection via e-mail.

3.3 CAI Reviews CAI Subcontractor SOW

Each SOW will result in two separate agreements being executed – one between CAI and the Authorized User, and one between CAI and the selected CAI Subcontractor as the Subcontractor. After the Authorized User notifies CAI of their intention to proceed with the selected SOW, the following steps are taken:

- The CAI Account Manager reviews the selected SOW, which will become the agreement between CAI, as the Supplier, and the Authorized User.
- The CAI Account Manager works with the selected CAI Subcontractor to ensure that the SOW is complete and ready to be presented to the Authorized User for execution. If any changes are required, the CAI Subcontractor makes the changes to the SOW with the Track Changes feature turned on in Microsoft Word, so the Authorized User will be able to quickly re-review the final SOW.
- The CAI Subcontractor also accepts the SOW changes in Word to create a "clean" copy of the SOW for the Authorized User's signature.
- The CAI Subcontractor uploads both the "clean" and redlined copies of the SOW to Peoplefluent for the Authorized User's final review and signature. The "clean" copy version of the SOW should include the word "FINAL" in the filename, and the redlined version of the SOW should include the word "Redlined" in the filename.

3.4 Authorized User Signs Final SOW

Once the final version of the SOW is uploaded to Peoplefluent, the CAI Account Manager notifies the Authorized User that the redlined and final versions of the SOW are in Peoplefluent ready for review and signature. The Authorized User communicates acceptance of the SOW by sending the CAI Account Manager the signed SOW (i.e., the signature page) via e-mail.

3.5 Subcontractor Signs Final SOW

CAI also executes the corresponding agreement with the selected CAI Subcontractor by sending a cover letter and accompanying SOW to the CAI Subcontractor for signature. The CAI Subcontractor signs the SOW cover letter and returns it to the CAI Account Manager via e-mail.

3.6 CAI signs SOWs with the Authorized User and Subcontractor

CAI executes the SOW with the Authorized User and returns the document for the Authorized User to attach to the Purchase Order (PO). Once CAI has a signed agreement in place with the Authorized User, CAI will sign the SOW cover letter with the CAI Subcontractor and return an executed copy to them.

3.7 Purchase Order is Created and Approved

Once signed SOWs are in place between CAI and the CAI Subcontractor and between CAI and the Authorized User, a purchase order is created in the eVA system, or their designated purchasing system, by the Authorized User. Approvals are attained based on level of spend following VITA's established PO approval process. By policy, the PO's total dollar amount must match the milestones, fees, and hourly support rates in the Peoplefluent requirement.

When the PO is approved, the requirement is ready to be 'Engaged.'

3.8 The Engagement Process Begins

Prior to marking the requirement 'Engaged' in the Peoplefluent tool, CAI will complete the following tasks that are included in the Engagement Checklist. They are:

- Ensuring a PO number is entered and that the PO's total dollar amount matches the milestones, fees, and hourly support rates within Peoplefluent
- Review of pricing, ensuring that it matches the Pricing Worksheet in the SOW
- Designation of Authorized User personnel, who may approve deliverables, fees, and/or timesheets
- Ensuring completion of all required onboarding tasks, including the completion of background checks for the CAI Subcontractor resources working on the project

These tasks are needed to ensure that the records are properly structured for proper invoicing.

In Peoplefluent, CAI designates which CAI Subcontractor proposal is selected and marks the requirement 'Engaged.' This locks the information in the requirement from further edit. If approved changes are needed after engagement, the CAI Account Manager is notified by the Authorized User and makes the changes to the requirement as directed.

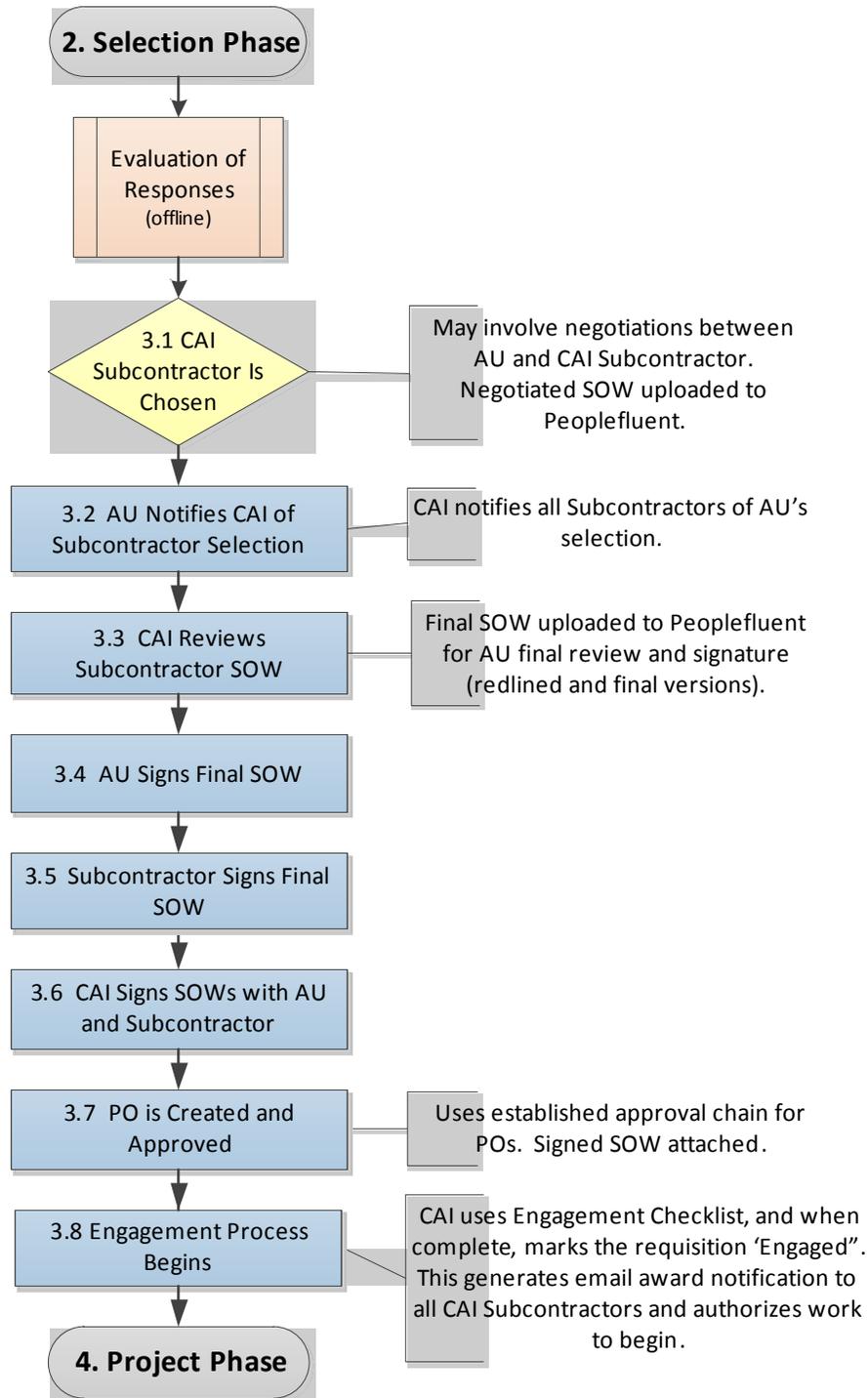
Engaging a requirement in Peoplefluent also generates notification of the award to all CAI Subcontractors and serves as official authorization to the winning CAI Subcontractor that the PO is in place and that work on the SOW may proceed. The text of this message can be customized¹ by VITA and has certain information within the body of the message that is taken from the requirement record, such as the name of the project.

¹ This message can be designed by VITA SCM, but not customized for each project. The same message is sent for each award.

Process Flow

3. Engagement Phase

ITCL SOW Process



4a. Project Phase – Fixed Price Deliverable Based SOWs

Description

The Project Phase begins when work begins on the project. As the project progresses, the CAI Subcontractor will complete milestone deliverables and expect payment. After completing the deliverable for a milestone, the CAI Subcontractor will mark the milestone completed within Peoplefluent. Although this is most likely known, this officially notifies the Authorized User that the CAI Subcontractor believes the milestone deliverable has been completed. If the Authorized User agrees and approves the milestone deliverable(s), he/she marks the milestone 'Approved' in Peoplefluent. Authorized users should be aware that the SOW mandates the timeframe for acceptance and that there is limited time to accept or reject the deliverable before it is "deemed accepted."

The approval of a milestone in Peoplefluent initiates the payment tasks. A Peoplefluent Report produces the data for CAI to produce the invoice to the Authorized User. Peoplefluent also notifies the CAI Subcontractor that the milestone has been approved, and the CAI Subcontractor invoices CAI for their milestone payment, per the milestone payment schedule submitted and accepted with the SOW response.

Invoices are paid and work continues until all the milestones have been completed. When the Authorized User approves the final milestone, the process for final invoices including holdback, if any, is initiated. This also initiates the project closeout process within Peoplefluent.

If changes to milestones occur during the life of the project, the **Exception: Change Request Process** is followed, as described on page 24.

Tasks

4a.1 CAI Subcontractor Marks Deliverable Complete in Peoplefluent

After work begins on the project, the CAI Subcontractor completes the deliverables or completion criteria for a milestone. After submitting the deliverable to the Authorized User, the CAI Subcontractor uses Peoplefluent to indicate that, from the CAI Subcontractor's perspective, the milestone deliverable is complete. This generates a notification to the Authorized User(s) to approve the milestone deliverable.

4a.2 Authorized User Verifies Deliverable Completion

When the Authorized User is aware of the deliverables or completion criteria, they may or may not accept them. If the deliverables or completion criteria are satisfactory, a designated Authorized User approver(s) uses Peoplefluent to mark that the milestone deliverable is complete. If unsatisfactory, the Authorized User notifies CAI and the CAI Subcontractor and then works together with the CAI Subcontractor until the Authorized User finds the deliverable or completion criteria acceptable. The Authorized User then marks the milestone approved in Peoplefluent. This initiates the invoice/payment process.

4a.3 The Invoice/Payment is Processed

4a.3.1 Peoplefluent Generates Data for CAI Invoice

After the Authorized User approves a milestone deliverable, the financial data about that milestone is included in the Peoplefluent financial report for projects that is generated from Peoplefluent and sent to CAI.

4a.3.2 CAI Invoices Authorized User

CAI uses the data in the Peoplefluent file to produce their invoice to the Authorized User for the completed milestone deliverable. The amount of the invoice is consistent with the PO and the Authorized User Invoice Amount for the milestone deliverable designated in the SOW milestone payment schedule.

4a.3.3 CAI Subcontractor is Notified of Deliverable Approval

When the Authorized User approves the milestone deliverable, Peoplefluent automatically generates a notification alerting the CAI Subcontractor to the approval. This notification is the signal to the CAI Subcontractor that they may invoice CAI for the completed milestone deliverable.

4a.3.4 CAI Subcontractor Invoices CAI

The CAI Subcontractor invoices CAI an amount equal to the CAI Subcontractor's Invoice Amount from the SOW milestone deliverable payment schedule less the MSP Fee for the completed milestone.

4a.3.5 CAI Validates CAI Subcontractor's Invoice

CAI validates the CAI Subcontractor's invoice against the SOW and PO and works with the CAI Subcontractor to make any needed corrections.

4a.3.6 Authorized User Pays CAI

Upon receipt of the invoice from CAI, the Authorized User processes payment. The payment matches the referenced PO and the milestone in Peoplefluent.

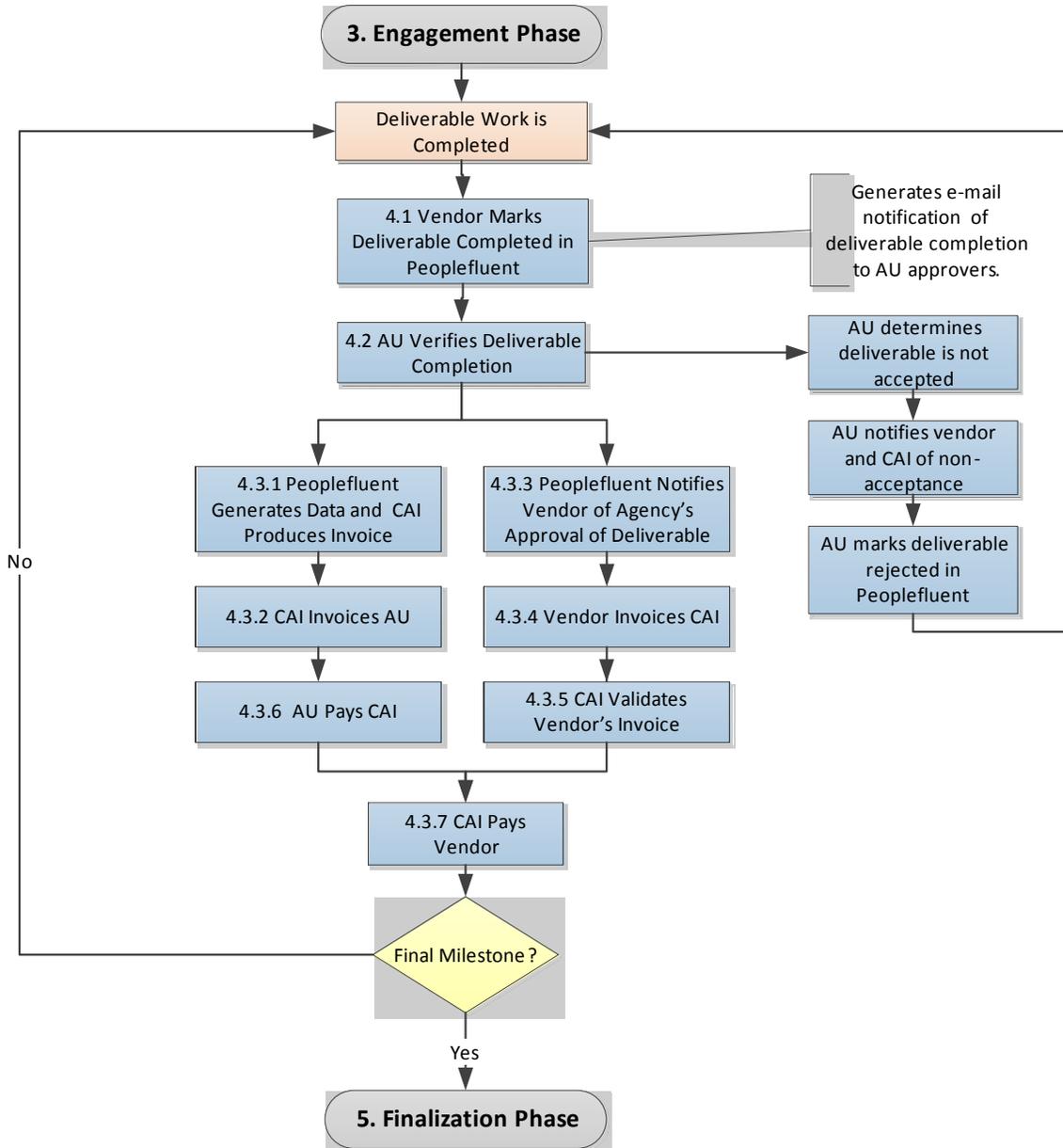
4a.3.7 CAI Pays the CAI Subcontractor

Within seven (7) days of receipt of payment from the Authorized User, CAI pays the CAI Subcontractor the amount of the CAI Subcontractor invoice for the completed milestone deliverable. This amount matches the SOW milestone payment schedule less the MSP Fee.

Process Flow

4a. Project Phase Fixed Price Deliverables Based

ITCL SOW Process



4b. Project Phase – O&M SOWs

Description

The Project Phase begins when work begins on the project. Base-level support is provided for a fixed monthly fee with an optional as needed T&M support. For the base level support, the CAI Subcontractor will submit the fixed monthly fee based on the agreed upon schedule. If the Authorized User approves the fee submittal, he/she marks the fee 'Approved' in Peoplefluent. Authorized users should be aware that the SOW mandates the timeframe for acceptance and that there is limited time to accept or reject the fee before it is "deemed accepted."

The approval of the fixed fee in Peoplefluent initiates the payment tasks. A Peoplefluent Report produces the data for CAI to produce the invoice to the Authorized User. Peoplefluent also notifies the CAI Subcontractor that the fee has been approved, and the CAI Subcontractor invoices CAI for their fee payment, per the fee payment schedule submitted and accepted with the SOW response.

Invoices are paid and work continues until the support schedule is completed. When the Authorized User approves the final fee, the process for final invoices and also initiates the project closeout process within Peoplefluent.

If support is also being provided via as needed T&M support, the resource providing support will submit a timesheet in PeopleFluent with the hours worked each week. An authorized CoVA manager will approve the timesheets each week in PeopleFluent.

Invoicing for T&M support occurs monthly. Only those hours approved by the designated CoVA timesheet approver for the prior month will be invoiced to the Authorized User. In addition, the CAI Subcontractor invoices CAI each month for those approved hours.

If changes to support occur during the life of the project, the **Exception: Change Request Process** is followed, as described on page 24.

Tasks

4b.1 CAI Subcontractor Submits the Fee and hours in Peoplefluent

After support begins on the project, the CAI Subcontractor submits the monthly fixed fee to the Authorized User via PeopleFluent via the agreed upon schedule in the SOW. This generates a notification to the Authorized User(s) to approve the Fee. If T&M support is also being provided, timesheets are submitted each week by the resource providing the support. The timesheet submittal generates a notification to the designated CoVA time approver to approve the timesheet.

4b.2 Authorized User Verifies Satisfaction of Support Provided

If the support provided is deemed satisfactory, either via the Fixed Fee support or the as needed T&M support, a designated Authorized User approver(s) uses Peoplefluent to mark that the fee and/or timesheets as complete. If the Authorized User is not satisfied with the

fixed fee support, the Authorized User notifies CAI and the CAI Subcontractor and then works together with the CAI Subcontractor to resolve the support issues. The Authorized User then marks the fee approved in Peoplefluent. This initiates the invoice/payment process.

If T&M support is also being provided, the designated timesheet approver approves the weekly timesheet in PeopleFluent if the hours submitted accurately represent the support provided. If the time approver disagrees with the time submitted, the timesheet is rejected. The resource providing the support can correct the timesheet and resubmit for approval. Once time is approved, it may be invoiced in the next monthly billing cycle.

4b.3 The Invoice/Payment is Processed

4b.3.1 Peoplefluent Generates Data for CAI Invoice

After the Authorized User approves the fee, the financial data about that fee is included in the Peoplefluent financial report for projects that is generated from Peoplefluent and sent to CAI. Any approved time for T&M support is loaded into CAI's financial system.

4b.3.2 CAI Invoices Authorized User

CAI uses the data in the Peoplefluent file to produce their invoice to the Authorized User for the fixed monthly support fee. The amount of the invoice is consistent with the PO and the Authorized User Invoice Amount for the fee designated in the SOW fee payment schedule. For T&M support, a separate monthly invoice is generated for all approved time.

4b.3.3 CAI Subcontractor is Notified of Fee Approval

When the Authorized User approves the fee, Peoplefluent automatically generates a notification alerting the CAI Subcontractor to the approval. This notification is the signal to the CAI Subcontractor that they may invoice CAI for the fee. For T&M support, the CAI Subcontractor is able to view all approved timesheets via PeopleFluent.

4b.3.4 CAI Subcontractor Invoices CAI

The CAI Subcontractor invoices CAI an amount equal to the CAI Subcontractor's Invoice Amount from the fee payment schedule less the MSP Fee for the fixed fee. For approved T&M support, the CAI Subcontractor submits a monthly invoice for all T&M support approved in the prior month.

4b.3.5 CAI Validates CAI Subcontractor's Invoice

CAI validates the CAI Subcontractor's invoice against the SOW and PO and works with the CAI Subcontractor to make any needed corrections.

4b.3.6 Authorized User Pays CAI

Upon receipt of the invoice(s) from CAI, the Authorized User processes payment. The payment matches the referenced PO and the milestone and/or approved time in Peoplefluent.

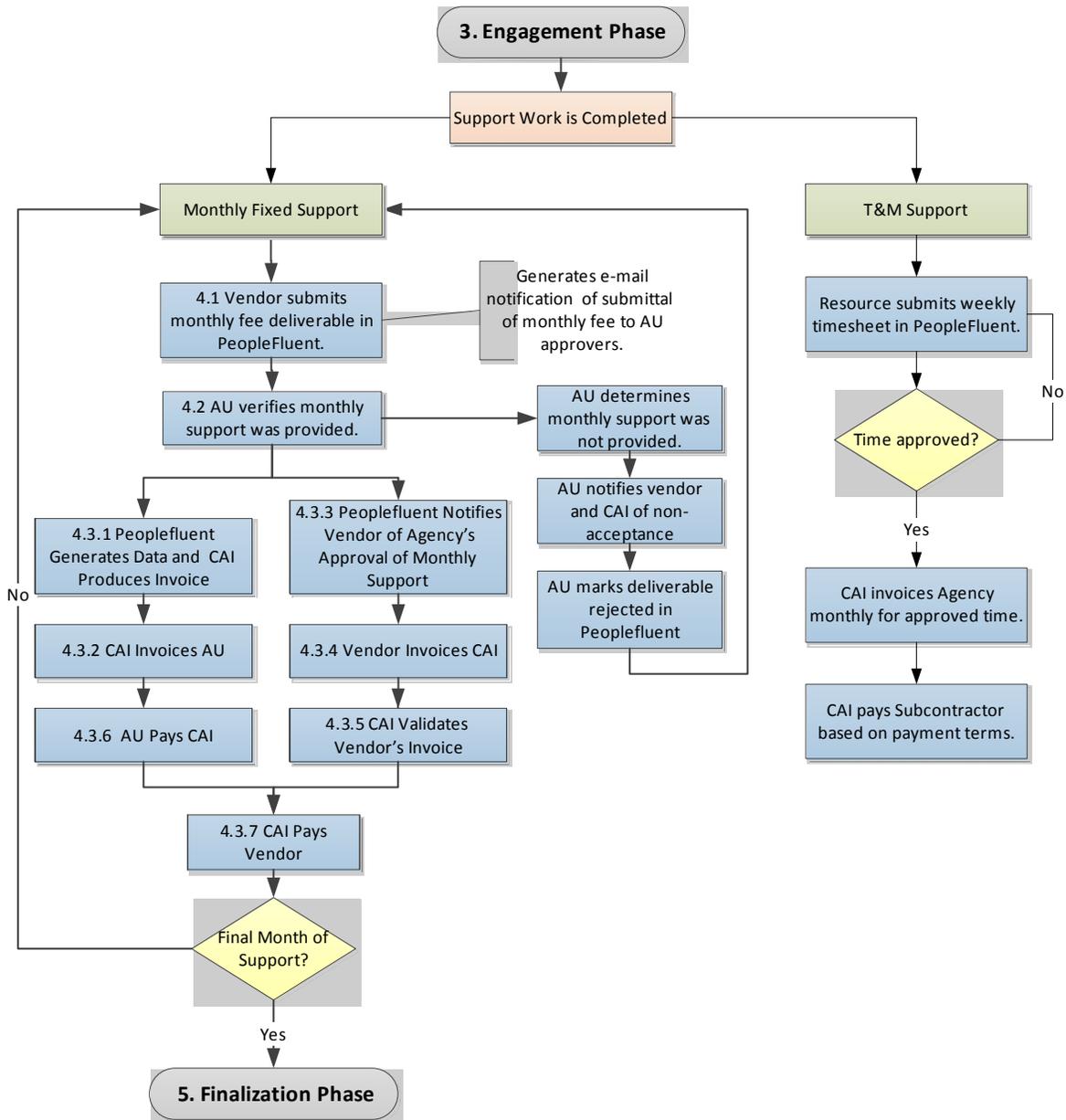
4b.3.7 CAI Pays the CAI Subcontractor

Within seven (7) days of receipt of payment from the Authorized User, CAI pays the CAI Subcontractor the amount of the CAI Subcontractor invoice for the fixed fee. This amount matches the SOW fee payment schedule less the MSP Fee. For T&M support, CAI pays the CAI Subcontractor net 15 or net 30 days (based on their subcontractor agreement with CAI) from the date of receipt of a valid invoice.

Process Flow

4b. Project Phase O&M SOWs

ITCL SOW Process



5. Finalization Phase

Description

The Finalization Phase of a project begins after the invoice/payment tasks for the final milestone/fee/time have been completed.

The last task in the closeout of a project is the completion of the SOW Customer Satisfaction Survey. CAI sends the survey to Authorized User personnel for completion and asks that the completed surveys be returned to both CAI and VITA. The survey responses are reviewed for both program and CAI Subcontractor feedback, and the scores are recorded for future reporting. At the time of project disengagement in Peoplefluent, the Customer Satisfaction survey will be issued, and this phase ends.

CAI follows a Disengagement checklist to disengage the project; after which the record can no longer be changed.

The Authorized User will close out the Purchase Order within eVA, or their designated purchasing system.

Tasks

5.1 Customer Satisfaction Survey is Completed

Upon final milestone's approval by the Authorized User, and project disengagement, the CAI Account Manager will distribute the Customer Satisfaction Survey to the Authorized User via email. The survey is facilitated through CAI's Advanced Management Insight (AMI) application. The respondents will be asked to return the completed the survey to both the CAI Account Manager and VITA.

5.2 CAI Enters Customer Satisfaction Survey Score

Upon receipt of the Customer Satisfaction Survey results, the CAI Account Manager will review the survey for both program and CAI Subcontractor feedback and record the survey scores. Over time, these scores can be reported for each CAI Subcontractor as a means of evaluating performance.

5.3 CAI Disengages the Project in Peoplefluent

When all payments have been made, and the Customer Satisfaction Survey has been issued, the project can be closed out in Peoplefluent through the 'Disengagement' process. CAI will follow a Disengagement Checklist to ensure that all information is complete. Disengagement is final; the project record cannot be edited once it is disengaged.

5.4 Authorized User Closes Purchase Order

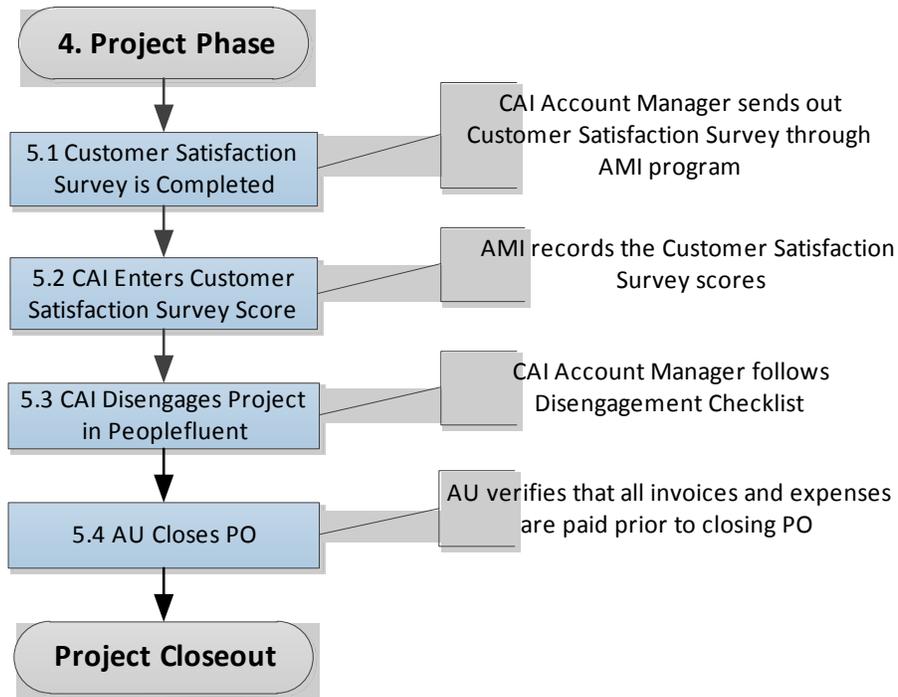
The Authorized User should verify that all assets (e.g., security card, VPN token, equipment) and documentation (e.g., knowledge transfer, application) have been returned prior to approving the final milestone deliverable for payment. If the milestone payment is the final payment, and after verifying that all invoices and expenses have been paid, the

Authorized User can close out the Purchase Order in eVA, or their designated purchasing system.

Process Flow

5. Finalization Phase

ITCL SOW Process



6. Exception: Change Request

Description

Because the SOW is a contract between CAI and the Authorized User and also between CAI and the Subcontractor, a change to the scope, deliverables, schedule and/or pricing of the SOW must be documented as a change to the contract. The Change Request process must be followed to ensure contractual understanding and that the invoicing and payments are correct.

- A Change Request:
 - Is required to document any change to scope, deliverables, schedule, fees, and/or pricing.
 - Along with the associated SOR/SOW and any previous CRs, is a legally binding document that becomes part of the contract.
 - Can document an increase OR decrease in price (e.g., the Authorized User eliminates a priced training course, so a “negative CR” is created to document the decreased contract price).
 - Can also be a “no-cost CR” when the need arises to document a change to the SOW that does not affect cost (e.g., document a new additional Service Level Agreement).

The CAI Subcontractor and the Authorized User recognize that a change needs to be made. Offline, they agree upon what changes need to be made. Several tasks result from a change of milestone:

- The CAI Subcontractor submits a Change Request (CR) documenting the change that affects the milestone deliverables, O&M scope, schedule, fees and/or pricing and includes the revised milestone or fee payment schedule. The CAI Subcontractor uploads the Change Request into Peoplefluent.
- If the change causes the total value to be greater than the \$100K threshold, the Authorized User must receive approval from VITA.
- The Change Request is signed between CAI and the Authorized User and CAI and the CAI Subcontractor.
- If applicable, the Authorized User submits a revised PO with the Change Request attached. The Authorized User changes the purchase order through eVA or their designated purchasing system. The CAI Account Manager revises the project record in Peoplefluent.

These changes are necessary to maintain synchronization of the procurement documentation (PO), contract (SOW and associated Change Requests), and the tracking and control system (Peoplefluent project).

Tasks

6.1 Authorized User and CAI Subcontractor Agree on the Change

After recognizing that a change needs to be made that will affect the scope, deliverables, schedule and/or pricing of the SOW, the Authorized User and CAI Subcontractor reach an agreement. The Authorized User or the CAI Subcontractor notifies the CAI Account Manager of the impending change.

6.2 Authorized User Gains VITA Approval, if Required

If the change request causes the total value to exceed the threshold where VITA approval is required, the Authorized User will gain the approval of VITA for the change.

6.3 CAI Subcontractor or Authorized User Creates Change Request

The following steps are performed to create a change request:

- The CAI Subcontractor or Authorized User creates the change request, using the CAI Change Request Template, to document the change that will affect the scope, milestone deliverables, fees, schedule and/or pricing. If applicable, the change request includes the revised milestone or fee payment schedule.
- The CAI Subcontractor uploads the completed change request into Peoplefluent and attaches it as an additional attachment in the SOW record (do not create a new submission). From the "Project Requirement Summary," select:
 "Proposal Summary" → "Attachments" → + "Add Attachment"
- The Authorized User and CAI Subcontractor review and agree on the terms of the change request. Upon acceptance, the Authorized User notifies the CAI Account Manager that the change request is ready for CAI's review.

6.4 CAI Reviews Change Request

Each change request will result in two separate agreements being executed – one between CAI and the Authorized User, and one between CAI and the selected CAI Subcontractor as the Subcontractor. After the Authorized User notifies CAI that a change request is ready for review, the following steps are taken:

- The CAI Account Manager reviews the change request, which will become the agreement between CAI, as the Supplier, and the Authorized User.
- The CAI Account Manager works with the selected CAI Subcontractor to ensure that the change request is complete and ready to be presented to the Authorized User for execution. If any changes are required, the CAI Subcontractor makes the changes to the change request with the Track Changes feature turned on in Microsoft Word, so the Authorized User will be able to quickly re-review the final change request.
- The CAI Subcontractor also accepts the change request changes in Word to create a "clean" copy of the change request.

- The CAI Subcontractor uploads both the “clean” and redlined copies of the change request to Peoplefluent for the Authorized User’s final review and signature. The “clean” copy version of the change request should include the word “FINAL” in the filename, and the redlined version of the change request should include the word “Redlined” in the filename.

6.5 Authorized User Signs Final Change Request

Once the final version of the change request is uploaded to Peoplefluent, the CAI Account Manager notifies the Authorized User that the redlined and final versions of the change request are in Peoplefluent ready for review and signature. The Authorized User communicates acceptance of the change request by sending the CAI Account Manager the signed change request (i.e., the signature page) via e-mail.

6.6 Subcontractor Signs Final Change Request

CAI also executes the corresponding agreement with the CAI Subcontractor by sending a cover letter and accompanying change request to the CAI Subcontractor for signature. The CAI Subcontractor signs the change request cover letter and returns it to the CAI Account Manager via e-mail.

6.7 CAI Executes Final Change Requests

CAI executes the change request with the Authorized User and returns the document for the Authorized User to attach to the Purchase Order (PO). Once CAI has a signed agreement in place with the Authorized User, CAI will sign the change request with the CAI Subcontractor and return an executed copy to them.

6.8 Authorized User Changes Purchase Order

The Authorized User follows established procedures and approvals for making changes to the purchase order. This generates a change order that is sent to CAI. The change request is attached to the PO.

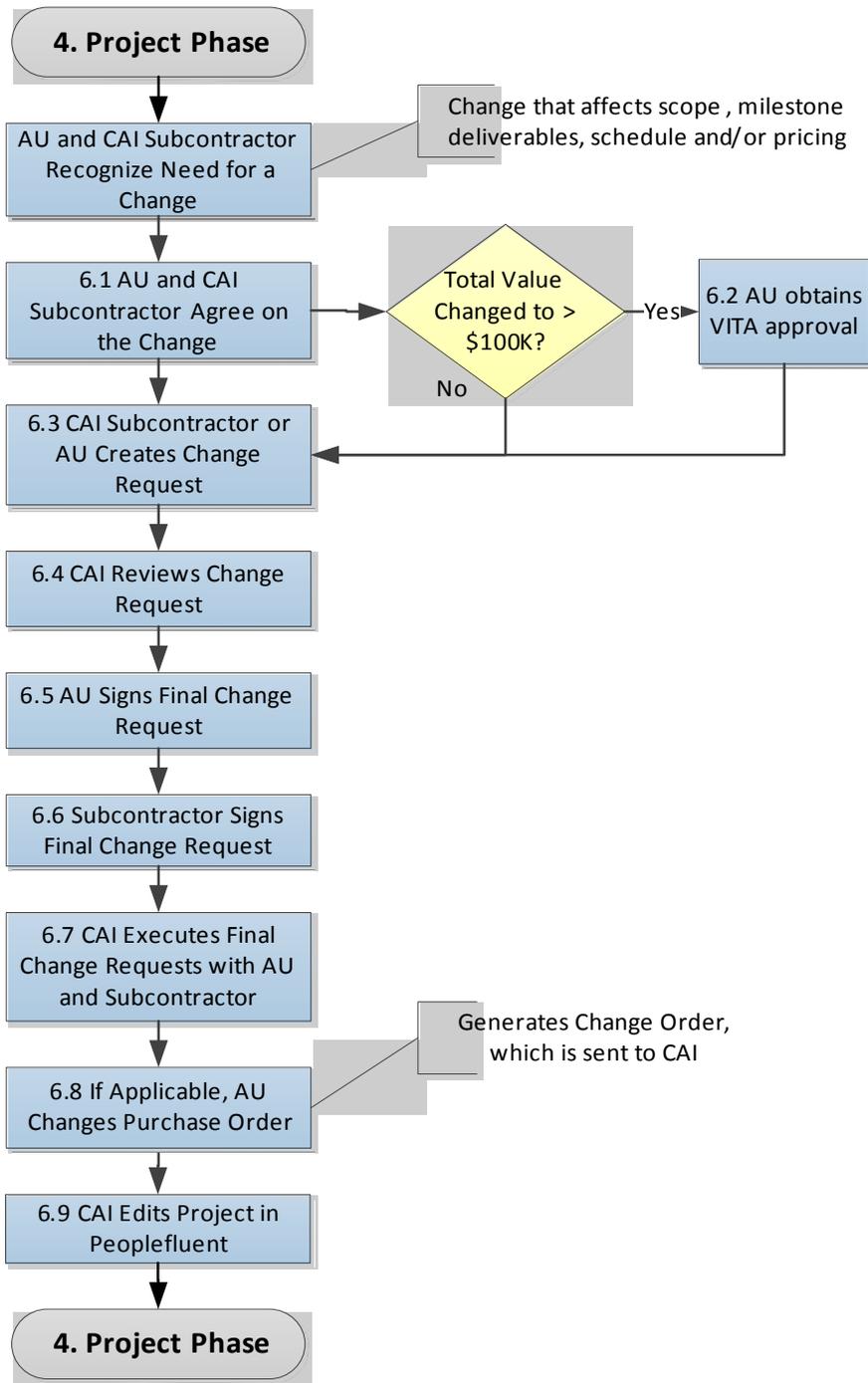
6.9 CAI Edits Project in Peoplefluent

After engagement, all changes to milestones in Peoplefluent must be made by CAI. After receiving the change order to the PO with the attached change request, CAI uses the documentation to make the appropriate changes to the project within Peoplefluent.

Process Flow

6. Exception: Change Request

ITCL SOW Process



7. Exception: Termination of SOW

Description

In the event that the Authorized User wants or needs to terminate a SOW prior to its planned completion, the termination process ensures that the project is closed out properly.

The Authorized User follows the established legal termination process. As early as possible, the Authorized User notifies the CAI Account Manager.

Offline, the Authorized User works with the CAI Subcontractor and CAI Account Manager to determine what deliverables, milestones, fees and/or payments are acceptable. A change request is then created to reflect any reduction of scope and change of deliverables, fees, and/or pricing. The purchase order is changed to reflect final payments, if appropriate, and a change order is sent to CAI.

The CAI Account Manager edits the project in Peoplefluent to reflect the changes per the Authorized User's instructions and change order. This may involve closing out a milestone(s) without payments and/or processing a final payment. If a final payment is advised, the CAI Account Manager will ensure that the change order reflects the same amount for final payment, and the **Invoicing/Payment Process** is followed, as described on page 16.

Once any final payments are made, the process of Finalization is followed.

Tasks

7.1 Authorized User Wants or Needs to Terminate SOW

On rare occasion, SOWs must be terminated. In this case, the Authorized User will have worked with the CAI Subcontractor to resolve issues or circumstances, and the decision is reached to end the project prior to its planned completion. Only an Authorized User may terminate a SOW engagement; CAI Subcontractors do not have the contractual ability to unilaterally terminate.

7.2 CAI is Notified of Termination

As early as possible, CAI is notified of the need for termination and whether any final payments are due. This alerts the Account Manager to the issues and need for changes to the project.

7.3 Termination Process is Followed

The Authorized User will follow the contractually required process for the break of the SOW contract. This process is outside the scope of the ITCL SOW process. The Authorized User will work with CAI during this time to coordinate the termination of the SOW between CAI and the CAI Subcontractor with the termination of the SOW between CAI and the Authorized User. It is necessary, however, to establish acceptance of deliverables and if final payments are in order.

7.4 Authorized User Changes Purchase Order

The Authorized User makes the changes to the purchase order through eVA, or their designated purchasing system. This follows established process and approvals and results in a change order issued to CAI.

7.5 CAI Changes Project in Peoplefluent

The CAI Account Manager uses the change order, along with instructions from the Authorized User, to close out and/or change the milestones or fees within Peoplefluent appropriately. If a final payment is warranted, the final milestone or fees will be adjusted to reflect the appropriate amount to be paid to CAI. If no final payment is involved, the **Finalization Process**, described on page 22, is followed.

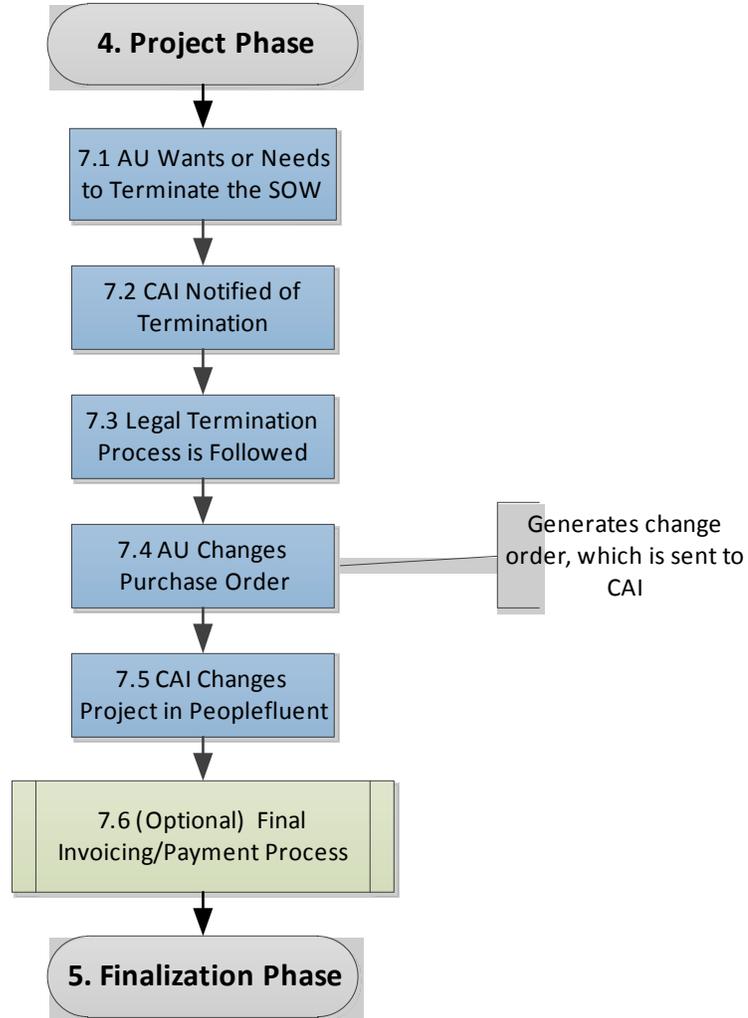
7.6 (Optional) Final Invoice/Payment is Processed

If a final payment is to be made, the **Invoice/Payment Process** is followed as described on page 16. When this is completed, the **Finalization Process**, described on page 22, is carried out.

Process Flow

7. Exception: Termination of SOW

ITCL SOW Process



Guidance on Ordering IT Contingent Labor through eVA

Executive branch agencies that order through eVA should follow the process outlined below when creating eVA requisitions and purchase orders for IT contingent labor services.

- **Step 1:** The Authorized User/Hiring Manager obtains internal approval for acquiring IT contingent labor. Hint: When needed for requests related to projects, the Authorized User Hiring Manager obtains necessary project and IT strategic plan approvals.
- **Step 2:** Contact Computer Aid, Inc. (CAI) for assistance with determining the job classification for the resources needed and/or discuss the Statement of Requirements for a fixed price engagement.
- **Step 3:**
 - For Staff Augmentation engagements (hourly based work):
 - Include in the eVA requisition the not-to-exceed hourly rate for the job classification and the number of hours needed in the purchase requisition.
 - After the purchase requisition is fully approved or in the ordered status in eVA, the Authorized User Hiring Manager logs into the Peoplefluent system and creates a new requirement, entering the PO number and the required and desired skills.
 - For Statement of Work engagements (fixed price deliverables):
 - Working with Computer Aid's assistance, complete the Statement of Requirements (SOR) and submit to CAI. After the subcontractor is selected, the Authorized User Hiring Manager creates the eVA requisition and attaches the completed Statement of Work (SOW.)
 - For Statement of Work engagements (O&M Support):
 - Working with Computer Aid's assistance, complete the Statement of Requirements (SOR) and submit to CAI.
 - Determine if in addition to the base level support, optional T&M support will be needed.
 - After the subcontractor is selected, the Authorized User Hiring Manager creates the eVA requisition and attaches the completed Statement of Work (SOW.) The eVA requisition includes line items for both the fixed fee support and the number of hours for T&M support if applicable.
 -
- **Step 4:**
 - If the request is less than \$100,000 the request is submitted directly to the CAI by "R" coding the eVA requisition.
 - If the request is equal to or greater than \$100,000, the request is submitted for VITA approval by "V" coding the eVA requisition.
 - If the request is equal to or greater than \$250,000, the request is submitted for CIO approval by "V" coding the eVA requisition. (Note: If an APR is required for

project or CIO approval, the requisition should not be submitted in eVA prior to the APR being approved and the APR number should be included on the eVA requisition.)

In the eVA requisition:

- **Vendor:** Computer Aid, Inc.
- **Vendor Contact:** Computer Aid, Inc.
- **Commodity Code:** 96269
- **Quantity and Price:** *[in accordance with the IT Contingent Labor contracted rate card and hours; or SOW total price]*
- **Contract Number:** VA-130620-CAI
- **Bill-to Address:** Authorized User, Institution or Locality placing order
- **PO Category:** **R1** *[for orders less than \$100,000]* ;
- **PO Category:** **VR1** *[for orders greater than \$100,000]*
- **Description:** **<Sample description for staff augmentation>** IT Services for XXX hours in accordance with the terms and conditions of the above referenced contract: FROM: 01/01/2014 – 06/30/2014; Consultant's Name: *[name]*; Title: *[job title, e.g., Business Analyst]*; Rate of Pay: *[hourly amount]*
- **Description:** **<Sample description for fixed price, deliverable based SOW>** IT Services for *[Title of Project]*: accordance with the terms and conditions of the above referenced contract: FROM: 01/01/2014 – 06/30/2014; Subcontractor's Name: *[name]*; SOW Total: *[Total engagement cost]*
- **Description:** **<Sample description for Line Item specific to fixed fee for O&M SOW>** IT Services for *[Title of Project]*: accordance with the terms and conditions of the above referenced contract: FROM: 01/01/2014 – 06/30/2014; Subcontractor's Name: *[name]*; **<Sample description for Line Item specific to hourly support for O&M SOW>** IT Services for XXX hours in accordance with the terms and conditions of the above referenced contract: FROM: 01/01/2014 – 06/30/2014; Consultant's Name: *[name]*; Title: *[job title, e.g., Business Analyst]*; Rate of Pay: *[hourly amount]*; SOW Total: *[Total engagement cost including the Monthly fixed fee and hourly support]*
- If the requisition is for an SOW, **attach the statement of work.**

Computer Aid, Inc. invoices the public body per the fee and payment schedule in the PO.

For public bodies that do not utilize eVA, the PO is obtained via their procurement process and faxed to CAI.

For VITA IT Contingent Labor program information, see the VITA website at:
<http://www.vita.virginia.gov/scm/default.aspx?id=11906>

Contract Assistance

This section includes key contact information for the IT Contingent Labor Contract.

Dedicated CAI Account Managers

If you would like to discuss your Staff Augmentation staffing needs, get assistance with a new requirement, or have a question about an existing resource, please contact CAI's Executive Account Manager, Cindy Sullivan, either by phone (804-288-2139) or email (cynthia_sullivan@compaid.com).

If you would like to discuss Statement of Work needs or to get information on the process, please contact CAI's SOW Account Manager, Christy Butcher, either by phone (804-288-4320) or email (christy_butcher@compaid.com).

CAI Help Desk Team

If you need assistance with Peoplefluent, please contact CAI's Help Desk.

The team can be reached by phone (800-635-5138) or email (vaitcl_help@compaid.com)

eVA System Assistance

The website for the eVA System is <http://www.eva.virginia.gov/>.

If you need assistance accessing or using the system, please visit the Customer Care website at <http://www.eva.virginia.gov/vendors/pages/customerreformforms.htm>.