



GOVERNANCE READINESS CURRENT STATE ASSESSMENT



JANUARY 5, 2023



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3. Strengths and Opportunities
4. Governance Assessment Findings

EXECUTIVE SUMMARY

Summarizes all sections of the Governance Readiness Current State Assessment Deliverable at a high level for executive leadership to understand the purpose of the deliverable.

GOVERNANCE READINESS: CURRENT STATE ASSESSMENT

Today's Discussion

Section	Description
Assessment Approach and Methodology	A description of the Current State Assessment approach and methodology, including an overview of the process, key capabilities assessed, scoring scale, artifacts reviewed, and interviews conducted.
Strengths and Opportunities	An evaluation of the VITA Sourcing Management program strengths and opportunities for improvement, summarized by capability and supported by key findings.
Governance Assessment Findings	A detailed evaluation of each assessment criteria in the Sourcing Management and Governance Spectrum with a gap analysis of current state versus desired future state, supported by key findings.

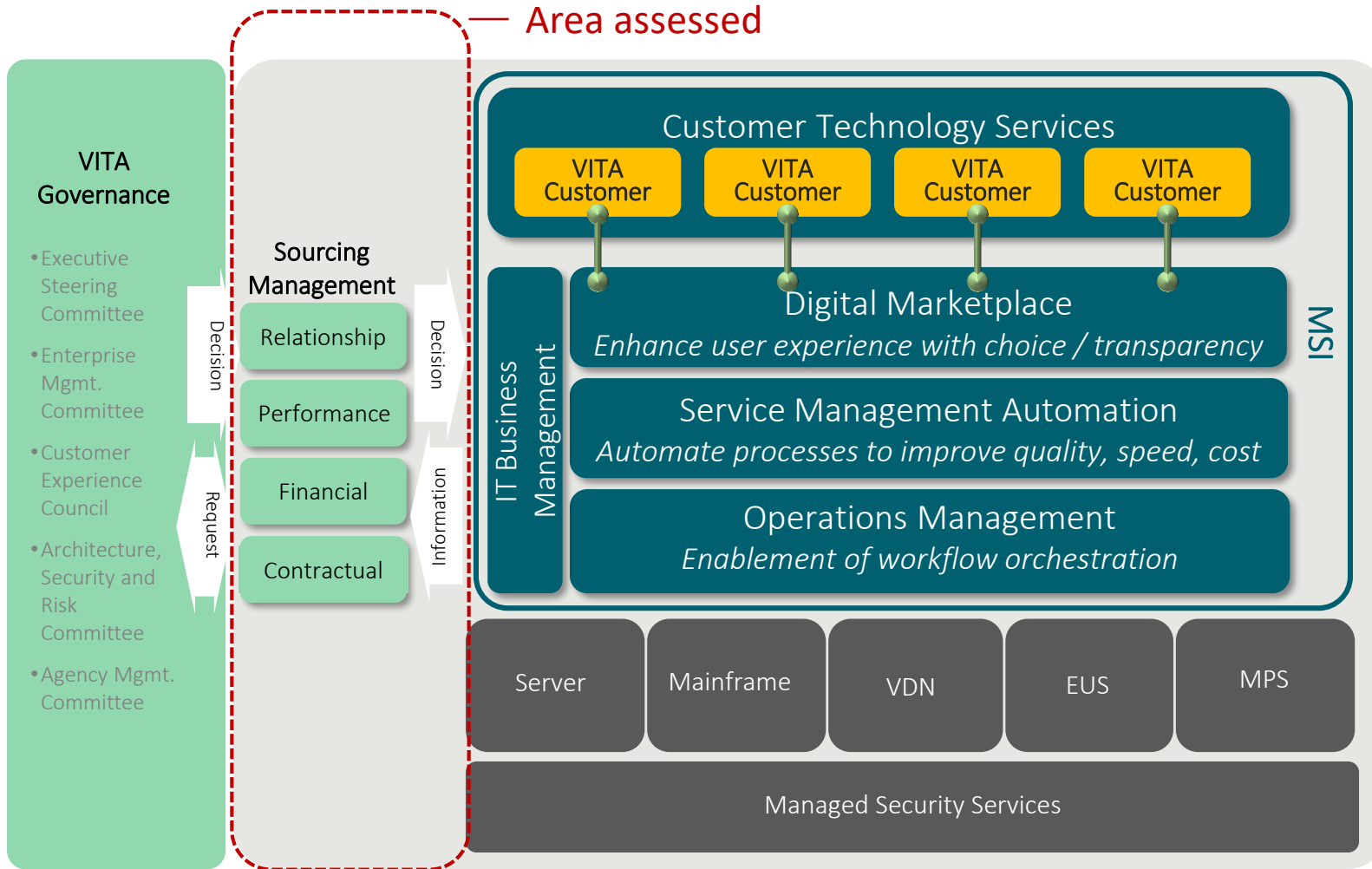
After Requirements are complete and VITA/MSI/STS roles are refined

- Develop recommendations and a roadmap to align VITA organization and platform governance with new requirements

ASSESSMENT APPROACH AND METHODOLOGY

A description of the Baseline Assessment approach and methodology, including an overview of the process, key capabilities assessed, scoring scale, artifacts reviewed, and interviews conducted.

AREA ASSESSED WITHIN PROPOSED VITA OPERATING MODEL



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

SOURCING MANAGEMENT ASSESSMENT APPROACH AND METHODOLOGY

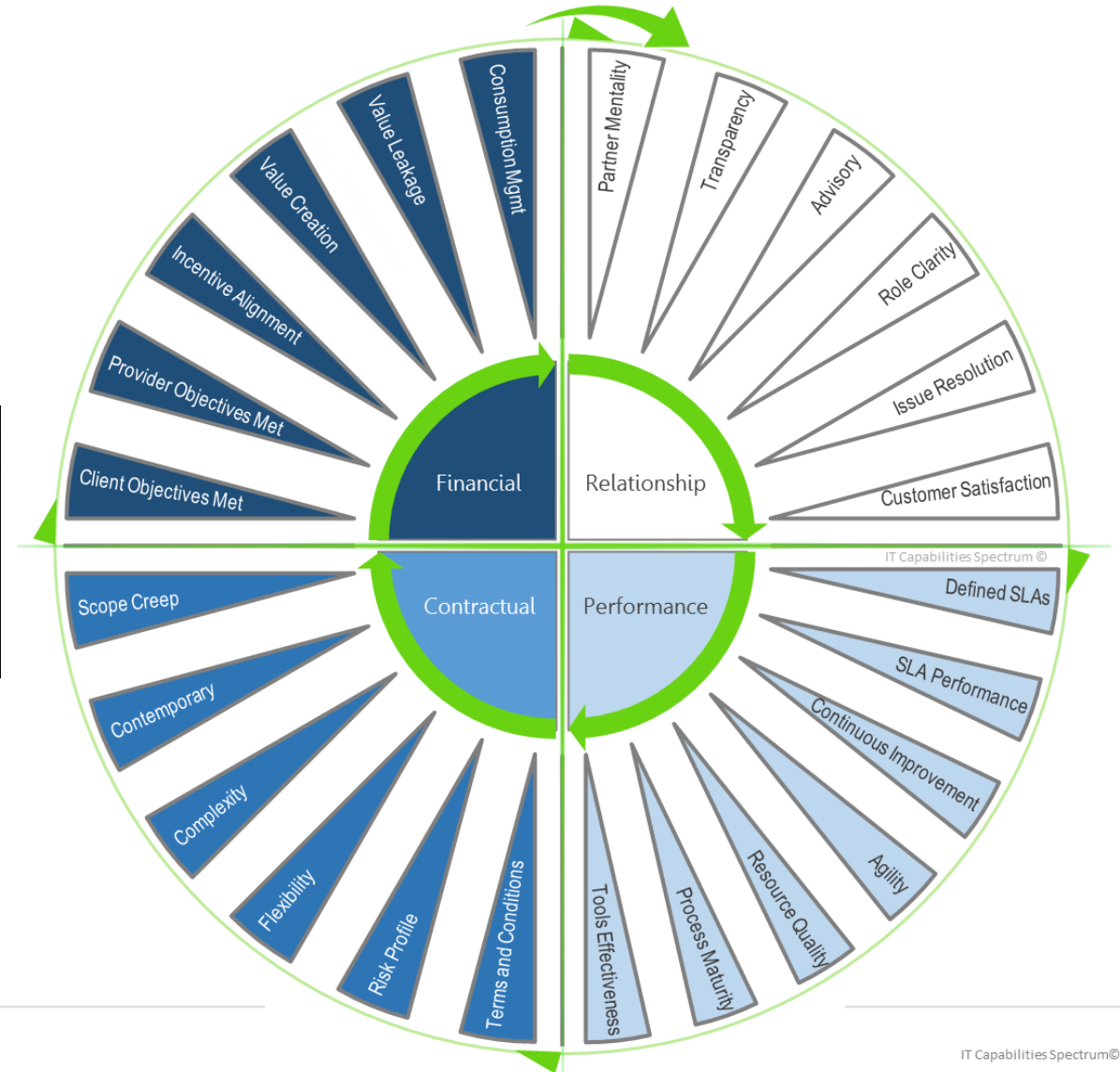
Sourcing Management was assessed on 24 capabilities organized by four common governance functions:

Relationship, Performance, Contractual, and Financial.

Capabilities Assessed			
Relationship	Performance	Contractual	Financial
Partner Mentality	Defined SLAs	Terms and Conditions	Client Objectives Met
Transparency	SLA Performance	Risk Profile	Provider Objectives Met
Advisory	Continuous Improvement	Flexibility	Incentive Alignment
Role Clarity	Agility	Complexity	Value Creation
Issue Resolution	Resource Quality	Contemporary	Value Leakage
Customer Satisfaction	Tools Effectiveness	Scope Creep	Consumption Mgt

All capabilities were assessed and graded as follows:

- Working Well
- Opportunities for Change
- Urgent Change Needed



SURVEY AND INTERVIEWS

We conducted a survey and 26 interviews with 31 leaders and key stakeholders.

	Group	Interviewee	Date
1	VITA	Shabeen Vijayan	11/9/22
2	VITA	Nichole Bowman	11/9/22
3	VITA	Bob Osmond	11/9/22
4	VITA	Cynthia Cordova-Edwards	11/9/22
5	VITA	Naveen Abraham	11/9/22
6	VITA	Trudy Ellis	11/9/22
7	VITA	Brian Gagliardi	11/9/22
8	VITA	Matt Gill	11/9/22
9	VITA	Gwen Anderson	11/9/22
10	VITA	Tricia Harper	11/10/22
11	VITA	Melinda Stewart	11/10/22
12	VITA	Mike Watson	11/10/22
13	VITA	Victoria Harness	11/10/22
14	VITA	Chad Wirz	11/10/22

	Group	Interviewee	Date
15	VITA	Scott Jaeger	11/10/22
16	VITA	Mike Shaffer	11/18/22
17	VITA	Finance Team (Cynthia Cordova-Edwards, Nichole Bowman, Jamey Doran, Deborah Harris)	12/16/22
18	Xerox	Joe Chambers	11/16/22
19	SAIC	Jim Love, Curtis Harshman	11/16/22
20	NTT	Eric Hills	11/16/22
21	Verizon	Mark Belzile	11/17/22
22	Atos	Darrell Raymond, Chad	11/17/22
23	Iron Bow	Scott Lindsey, Dana Parent	11/17/22
24	Peraton	Andrew Fraser, Chris Larson	11/17/22
25	Unisys	Jim Kirtley	11/17/22
26	Customers	Philip Anastasi, DJJ Lee Andrews, Treasury Paul Whitchurch, DBHDS	11/17/22

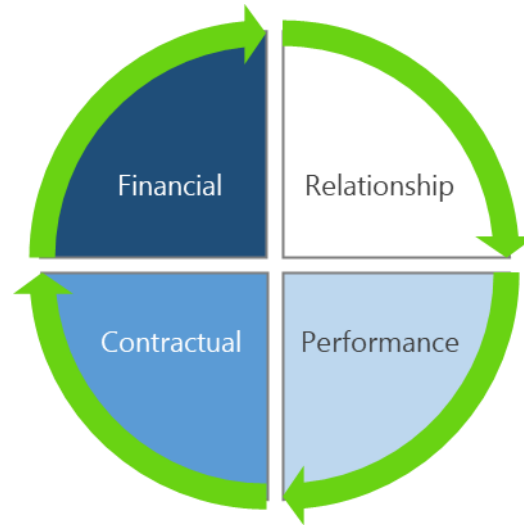
STRENGTHS AND OPPORTUNITIES

An evaluation of the VITA Governance program strengths and opportunities for improvement, summarized by capability and supported by key findings.

STRENGTHS AND OPPORTUNITIES SUMMARY

ITFM has worked well and as intended; however, as VITA moves forward, evolution and value creation should be driven by the Supplier and achieved through incentive alignment.

The contract has served both parties well; however, SOW clarity, SLA simplification, and the RU pricing structure are due for a reset.

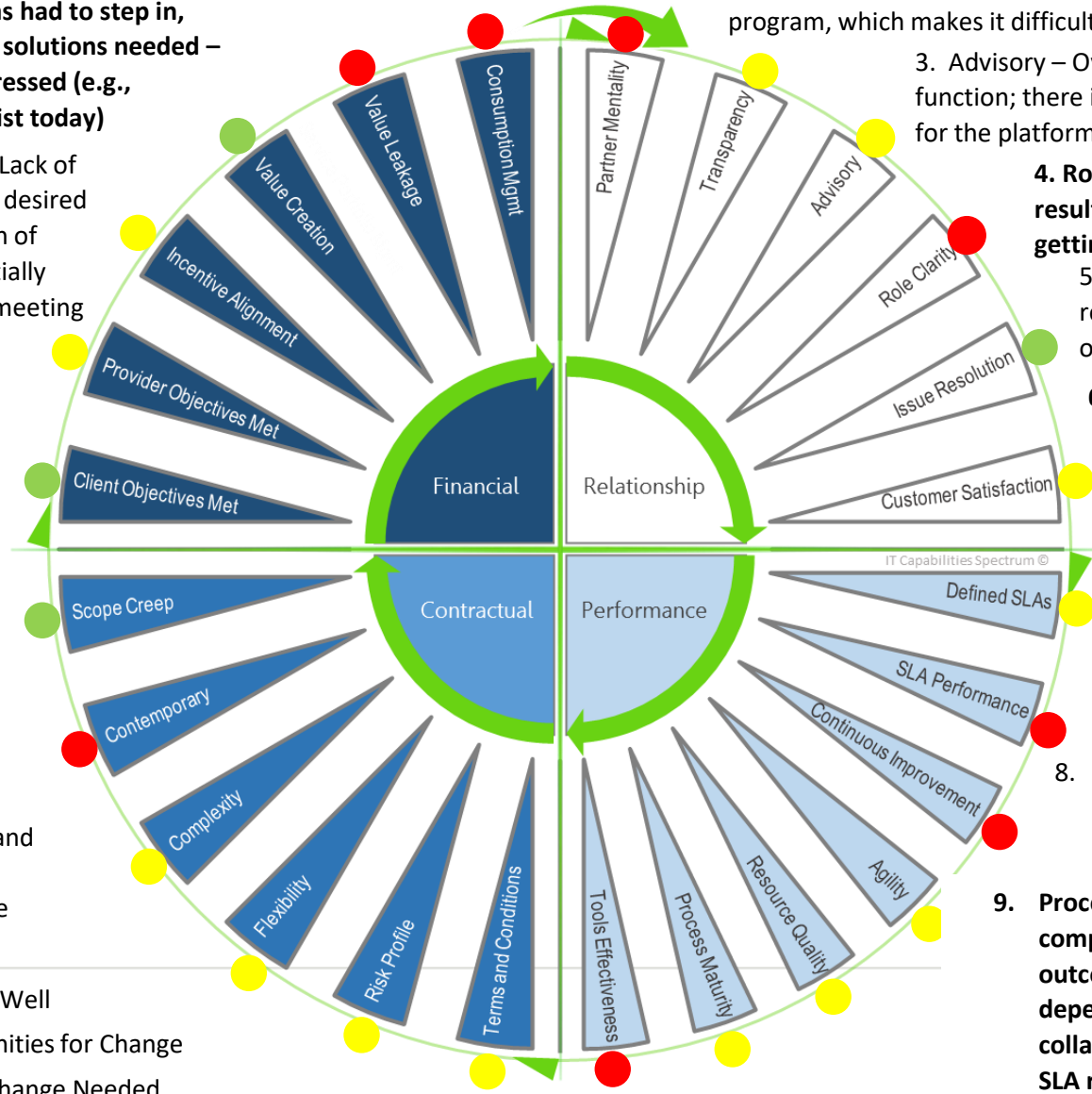


Relationships between the parties in the platform is adversarial, with Role Clarity between the MSI and VITA being a key challenge.

The lack of systematic SLA Performance reporting as required in the contract is inhibiting overall ecosystem performance and governance.

STRENGTHS AND OPPORTUNITIES

- 14. **Value Leakage/Consumption Management** – The MSI was meant to provide the leadership to orchestrate services in the platform – they have not been able to do this and VITA has had to step in, where possible, to stand-up the processes and solutions needed – but due to this some needs are still left unaddressed (e.g., consumption management, which does not exist today)
- 13. **Provider Objectives Met/Incentive Alignment** – Lack of alignment between pricing structure and VITA's desired supplier focus has caused inorganic re-allocation of resources, straining supplier staffing and potentially financial goals while at the same time not fully meeting VITA needs
- 12. **Client Objectives Met/Value Creation** – Financial process execution around Invoicing and Chargeback has been extremely valuable and has allowed VITA to meet initial objective – to control financials
- 11. **Contemporary** – The contract is built around a legacy labor-based service. Lack modern requirements, including automation, price alignment with cost structure, no-cost termination, and a simplified performance management model.
- 10. **Complexity** – The agreement is comprehensive and provides structure to address most questions; managing the volume of deliverables and service obligations is challenging.



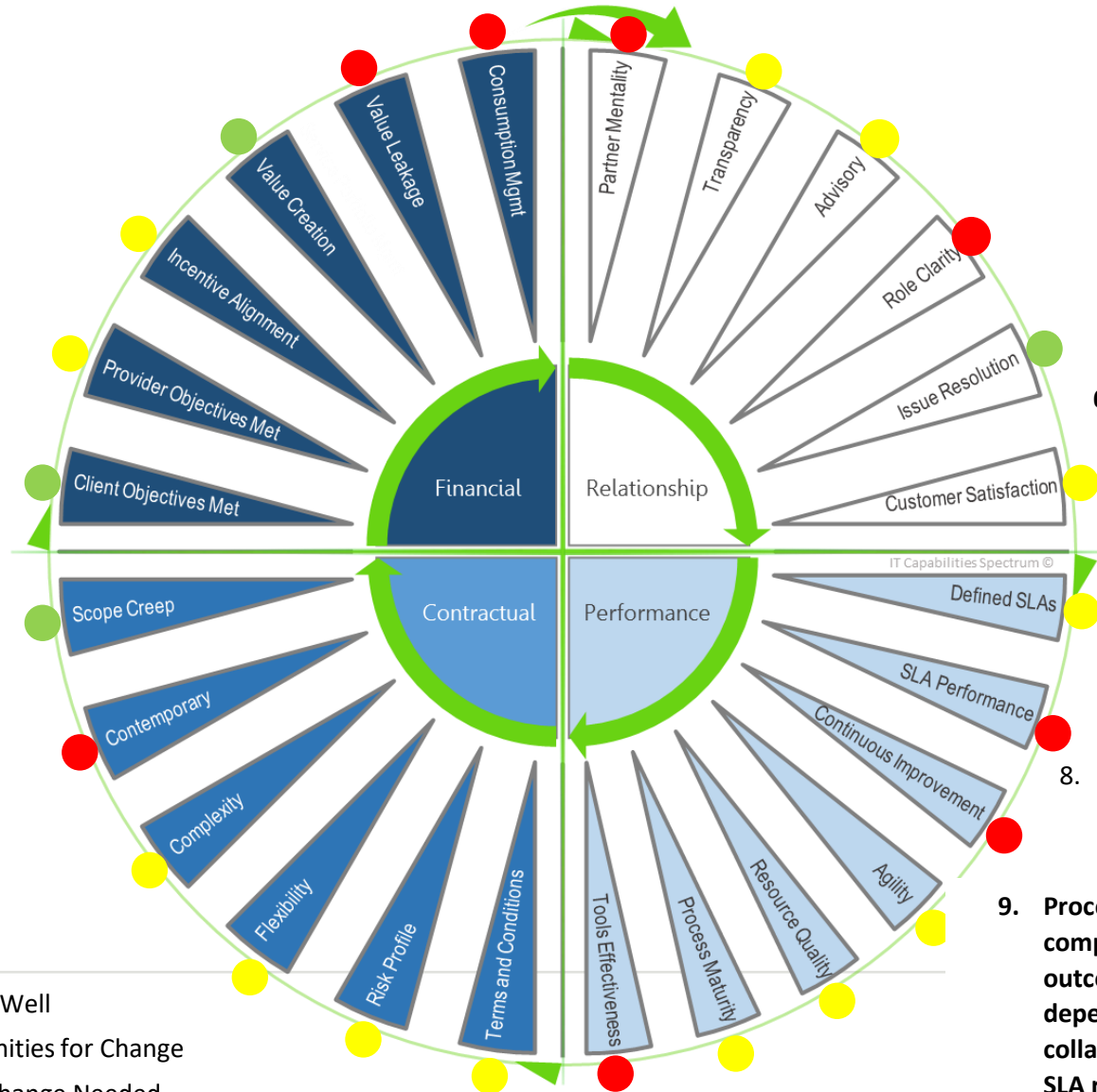
- 1. **Partnership Mentality** – The interactions between the STS' and the MSI are contentious. There is more finger-pointing than collaboration.
- 2. **Transparency** – Communications are stunted given the arduous process of getting communications approved within VITA, and the MSI lacks a formal communication program, which makes it difficult to drive transparency through communications.
- 3. **Advisory** – Overall, the team doesn't view or leverage the MSI in an advisor function; there is also confusion about who is to provide the strategic thinking for the platform and drive innovation.
- 4. **Role Clarity** - Lack of role clarity between VITA and the MSI results in the STS' going to both parties for issue resolution and getting conflicting guidance.
- 5. **Customer Satisfaction** – Arduous processes and requirements to get new services up and running create a lack of customer satisfaction.
- 6. **Defined SLAs, SLA Performance** – Generally, SLAs are well defined except those that don't tightly align with the MSI SLAs (Mainframe, Messaging). Lack of systematic calculation and intuitive presentation with drill downs hinders STS performance realization and governance of STS'.
- 7. **Continuous Improvement** – Lack of systematic Overall Program Measures inhibit evidence of continuous improvement
- 8. **Agility & Resource Quality** – MSI appears to be striving for strict written contract performance, and actual resource deployment is unavailable.
- 9. **Process Maturity and Tool Effectiveness** – Processes are complex and academic, not enabling STSs to deliver outcomes. The 1st generation MSI requirements and solution depend on labor, highly customized ServiceNow, and legacy collaboration tools with key components missing (reporting, SLA reporting).

STRENGTHS AND OPPORTUNITIES



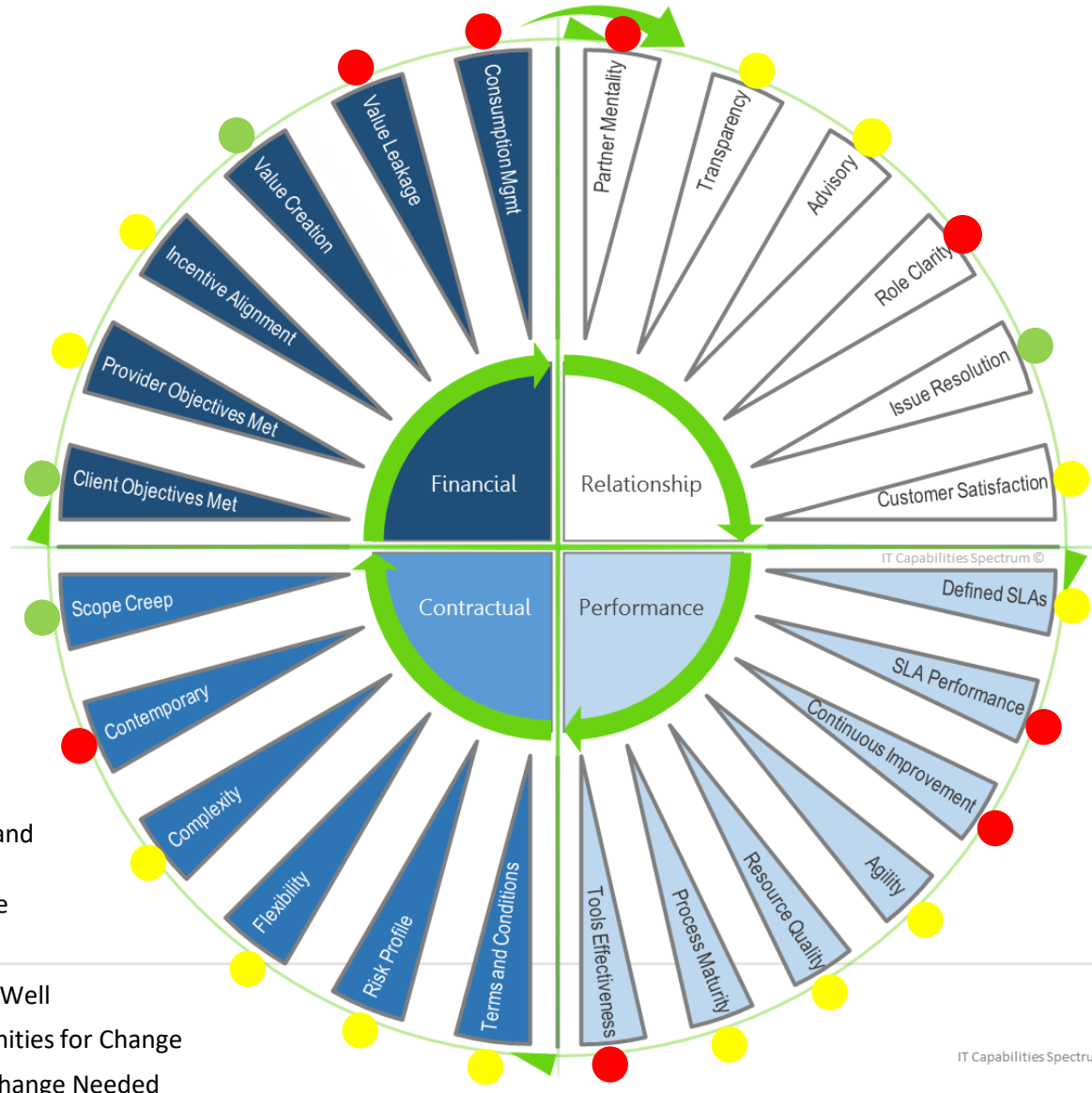
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STRENGTHS AND OPPORTUNITIES



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STRENGTHS AND OPPORTUNITIES

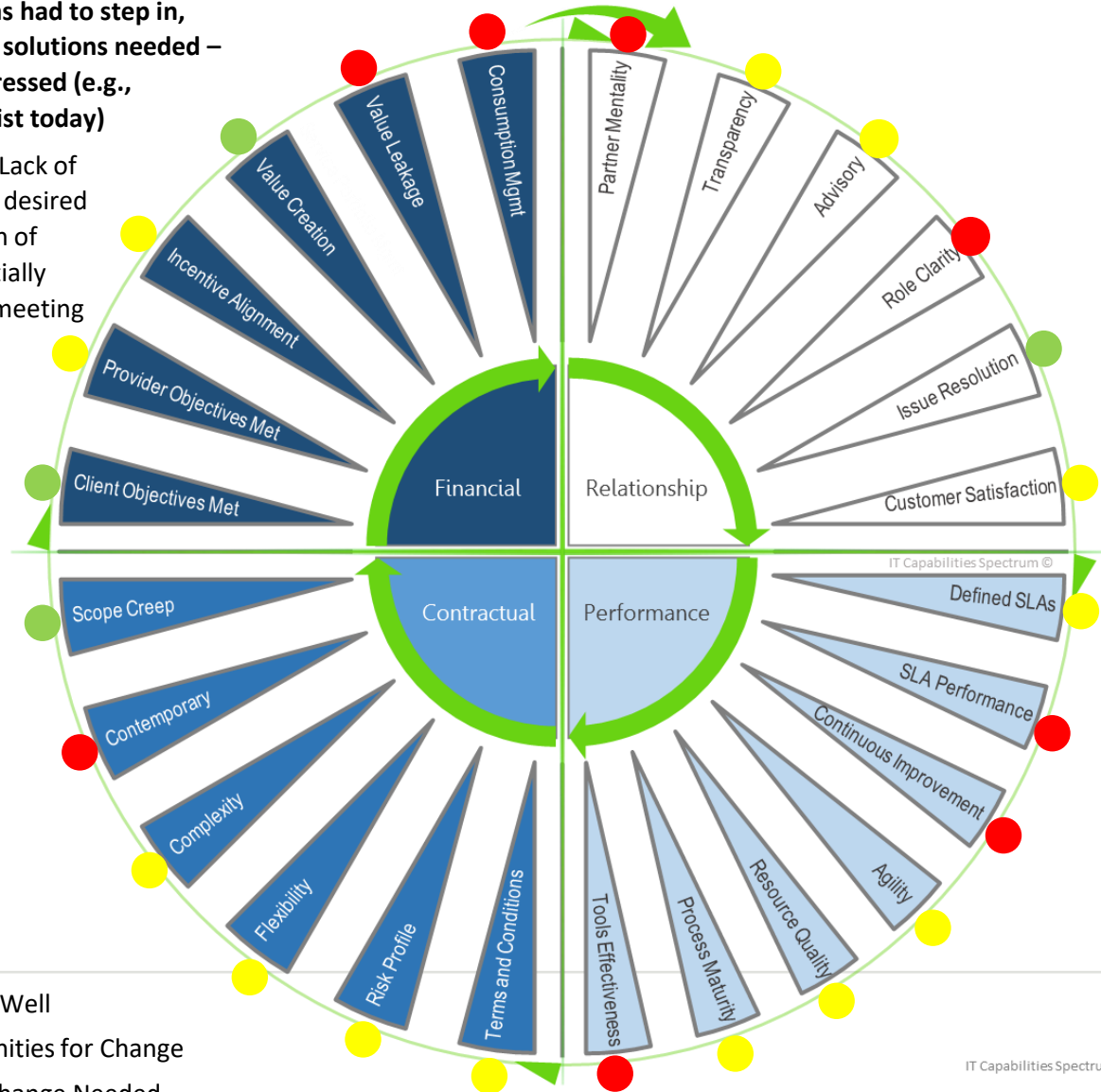


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NEXT STEPS

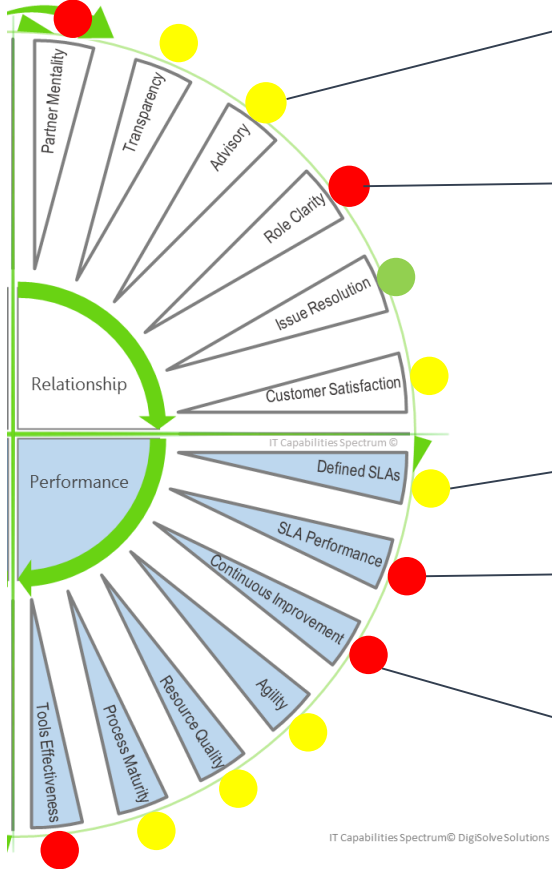
After requirements are complete and VITA/MSI/STS roles are refined:

- Assess VITA organization and platform governance
- Develop governance recommendations and a roadmap to implement

GOVERNANCE ASSESSMENT FINDINGS

A detailed evaluation of each assessment criteria in the Sourcing Management and Governance Spectrum with a gap analysis of current state versus desired future state, supported by key findings.

INTERVIEW QUOTES



"No coordination between the suppliers – they work as if they are independent teams"
 "General vibe here.... We need to cover / protect ourselves "
 "MSI does not enable the STS"

"Strategy Management: The MSI seems to want to take what is handed to them. They do not seem to engage in driving a strategy or reaching business goals."
 "Strategy Management: Very little effort driving innovation and strategy though leadership based on the current process. Not a well-coordinated effort."

"Role clarity between VITA, MSI, STS, Customer has been an issue over the last few years"
 "Sometimes VITA does some tasks and Supplier does others - it's confusing... Sometimes no one will take ownership "
 "VITA does not delegate to the MSI so there is always competing authority – The MSI needs to be empowered; there is conflicting communication; VITA gets in its own way;"

"ServiceNow only allows one target. This model includes two targets, which requires decoupled calculations."
 "The MSI asserts they cannot control shared service levels."
 "The way SLAs are currently built puts the Suppliers at odds."

"The only way we as a Supplier to know if we are breaching an SLA is when it's too late - we get it from the MSI after the end of the month."
 "VITA has to manually go through SLA results provided by the MSI in an Excel file. VITA gets thousands of exclusion requests."

"The ITSCM program, specifically in the realm of integrated disaster recovery, has achieved measurable success and progressive maturity as a functional capability over the past 3 years."
 "Continuous improvement is focused on fixing what is broken with no focus on innovation to drive efficiency and effectiveness."
 "In the contract there is a lot of wording on CSI, cost savings, etc. They aren't doing it."

"CENTER is an approved collaboration site but is not managed (outside of DOTS and SMM areas). Difficult to navigate...limited value realized."
 "The KSE tools team is overwhelmed - there is a backlog of work, ...the team is not big enough, and there is high turnover."

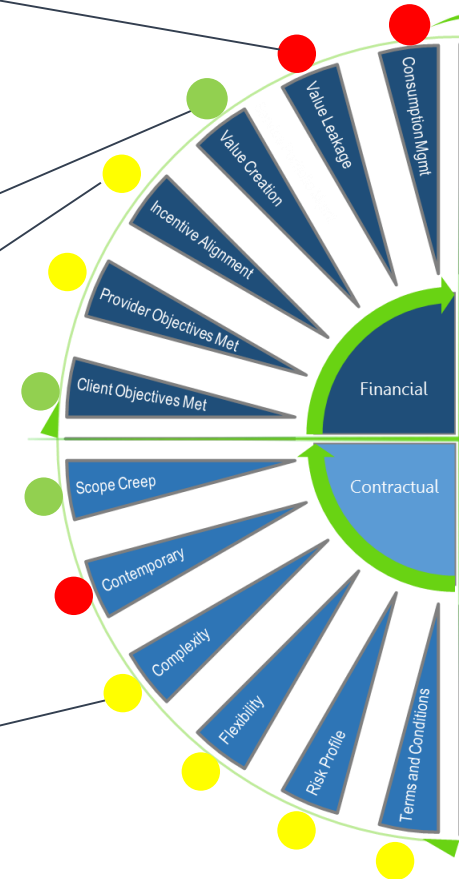
INTERVIEW QUOTES

- "There are activities that when we went through the RFP we believed to be the MSI responsibilities. In the first year of the contract they weren't able to do them and VITA had to pick up some of those activities. This has been the MO going forward."
- "The MSI does the basics well in terms of billing, but they need to take it to the next level"
- "We see that the resources aren't right, we see that the resources are not in the right spots - where we need them to be. They often move their best people to other contracts. Unless they are key personnel we don't know what is happening with their personnel. They make these changes with the people on the ground and the knowledge is lost. "

- "The MSI is underrated in the support they provide to suppliers during invoice and chargeback creation. The suppliers are responsible for it; but the MSI does this on behalf of suppliers with little to no input. The value provided here is incredible."
- "This drives value because it allows VITA and suppliers ... to step back [from] focusing on the day to day."

- "Incentives are not aligned – in the areas we need them to scale up there is no alignment with the cost structure"
- "We don't have a lot of flexibility in how we drive costs from the MSI. Most costs (~85%) are in one RU, and the majority of services delivered by the MSI are lumped in together; however, the charges are all based on service desk users."

- "ITFM is too complicated. We bill 500 services per month. Some agencies can handle it, other can't, depends on their administrative staff."
- "The SPLM process is overly complex."
- "We don't have end to end accountability for any service. We can hold a Supplier responsible for their part of the services but not the end-to-end service."



FEEDBACK THEMES - RELATIONSHIP

Relationships between the parties in the platform is adversarial, with Role Clarity between the MSI and VITA being a key challenge.

Partner Mentality

- The MSI's primary is viewed as serving VITA to enforce the roles and obligations as defined in the contract, they are not regarded as enabling the Service Providers to be successful for the benefit of the Platform
- Finger pointing and each Service Provider protecting their own interests, rather than having a team mentality of is part of the current culture

Transparency

- Transparency is perceived to be handled primarily through communications and billing to customers
- Communications are handled by VITA, not he MSI or the Service Providers

Advisory

- There is a general lack of focus on the strategic view of the platform by all parties, heavy focus on processes and procedures hinders strategic thinking
- There is no single authority to drive strategic decisions and move the Platform forward or meet evolving customer needs
- The MSI facilitates processes but they do not provide the expected leadership, basic infrastructure services are being delivered, however the full value of the model is still illusive

Role Clarity

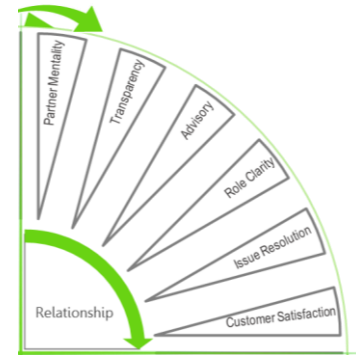
- There is a lack of definition to the role differentiation between the MSI and VITA – this creates conflicting authority between the two parties this results in providing conflicting direction to Service Providers
- VITA owns the contracts, so Service Providers circumvent the MSI and go directly to VITA – for contractual issue resolution

Issue Resolution

- Incidents and outages get resolved; basic infrastructure services are being delivered to the commonwealth
- The MSI SOC is not an active player in issue resolution for P1 incidents – the Service Providers must take on that role to get issues resolved
- A system is in place to create, track, resolve and automatically escalate issues through the Governance Model (WMM)

Customer Satisfaction

- Satisfaction at a basic level of services is being met by VITA and the Service providers
- The Platform as it is currently structured is not able to keep up with evolving customer demands or quickly bring new services online to support the



FEEDBACK THEMES - PERFORMANCE

The lack of systematic SLA Performance reporting as required in the contract is inhibiting overall ecosystem performance and governance

Defined SLAs

- SLAs need to be aligned across all STSs and the MSI, particularly those that are Shared or Related. Consider removing Shared SLAs

SLA Performance

- Given the lack of systematic SLA performance reporting, overall SLA performance for the MSI, and STSs, is very difficult to determine. The contract, and best practice, requires the MSI report on SLAs using a for purpose system with enterprise-wide dashboard views and detailed drill down capabilities to intuitively discern performance achievement and issues.

Continuous Improvement

- Lack of SLA performance system along with service measures (required in Ex 2.1, section 7.3) underpins little evidence of current performance and continuous improvement.

Agility

- MSI appears to be striving for strict written contract performance and lacks the capacity to support VITA adhoc demands and new services.

Resource Quality

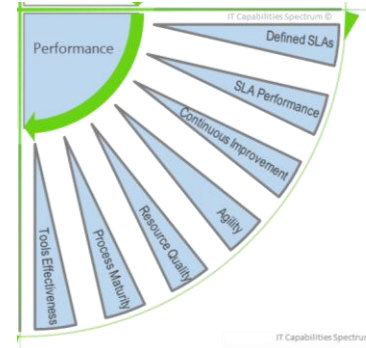
- Actual resources actively supporting the VITA Account are not available deployment is unavailable.

Process Maturity

- The SMMs contain a full compliment of ITIL-based processes; however, they appear to be overly complex and are not optimized to achieve desired outcomes. Rather, they appear to contain many hand-offs and diffuse responsibility. Future implementations should consider more digital workflow and simplification of human-based processes.

Tools Effectiveness

- The 1st generation MSI requirements and solution depends on labor, highly customized ServiceNow, and legacy collaboration tools with key components missing (reporting, SLA reporting). Future implementations should be tool-driven and intuitive for the end users including the MSI, STSs, VITA, and Customers to use.



FEEDBACK THEMES – CONTRACTUAL

The contract has served both parties well; however, SOW clarity, SLA simplification, and the RU pricing structure are due for a reset.

Contractual

Terms and Conditions

- The overall structure is good; there are opportunities to clarify roles, reduce low-value administrative requirements, and reduce complexity.

Risk Profile

- MSA terms are generally in alignment with the market; the perceived risk of shared SLAs creates financial inefficiencies and cultural challenges.

Flexibility

- The contract provides flexibility to turn up new services and adjust SLAs; the SOW requirements are not always clear, and the pricing bands and termination charges limit flexibility.

Complexity

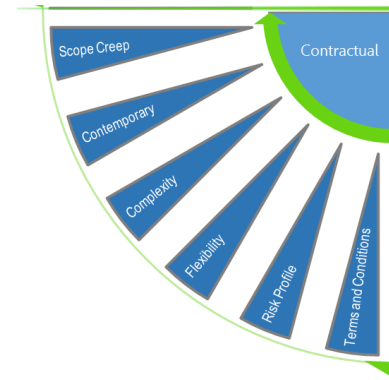
- The agreement is comprehensive and provides structure to address most questions; managing the volume of deliverables and service obligations is challenging.

Contemporary

- The contract is built around a legacy labor-based service and requires modern requirements, including automation, price alignment with cost structure, no-cost termination, and a simplified performance management model.

Scope Creep

- The agreement has an industry best practice sweeps clause, and the requirements are robust enough to mitigate scope creep.



FEEDBACK THEMES – FINANCIAL

ITFM has worked well and as intended; however, as VITA moves forward, evolution and value creation should be driven by the Supplier and achieved through incentive alignment.

Financial

VITA Objectives Met

- Partially.
- Original objective to stabilize P&L has been met. MSI model has allowed VITA to reach that goal through our now more robust rate development and P&L success – the last 2 or 3 years of our financials reflect that. VITA's goal is now shifting from stabilization to value creation.
- Original goal to provide more cost transparency to customers has been met for other towers but not for the MSI. VITA customers don't understand what they get from the MSI charges.
- New objectives – VITA needs to start looking at ways of making service more affordable for all customers (to grow the platform) both for the MSI and other towers.

Supplier Objectives Met

- Supplier has not been transparent about their objectives; however, it can be inferred by their performance and apparent understaffing that financial objectives have not been met and are now being prioritized at the tail end of the contract.

Incentive Alignment

- Incentives are not aligned – there is no alignment between the pricing structure and the areas we want them to scale up or where investment is needed.
- The vast majority of MSI costs are tied up in one RU, which we cannot control and is not representative of all services the MSI provides.

Value Creation

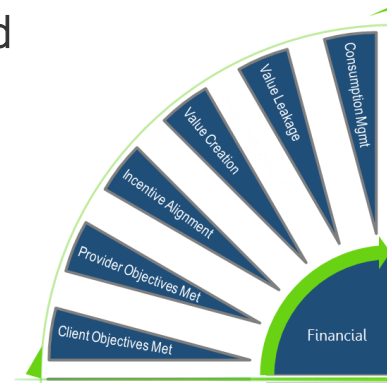
- The MSI is great in terms of building the invoice and chargeback and providing support to suppliers, allowing them to free their focus and address other areas. However, the MSI does not create additional value beyond the contractual scope for VITA or its customers.

Value Leakage

- There are various areas where VITA has expected thought leadership and execution from the MSI, but VITA has had to step in and guide the implementation of the related processes/solutions. This has been the MO of the MSI throughout the contract. E.g.:
 - SPLM process – VITA must manage this process initially, then when MSI took over the process became degraded – Finance is not looped in until it is too late and becomes the "bottle-neck"
 - RFS – not enough thought leadership on how to appropriately architect solutions – MSI is not the SME; the Service Owner must take the role on
 - Forecasting – MSI provides consumption volumes and has built out a process for getting inputs from VITA and customers, but this is a process VITA had them follow – they are not being proactive in helping understand historical usage

Consumption Management







- There is no consumption management process – this has been late for some time now. We have the data, but no process driven by the MSI to help understand our consumption and identify operational or financial opportunities through change in our consumption.






APPENDIX

Contract Assessment

CONTRACT ASSESSMENT SUMMARY

Contractual Element	Score	Description	Notes
Terms and Conditions		The terms and conditions of the agreement are competitive with the market and incent the right behavior for all parties.	Overall structure is good; there are opportunities to clarify roles, reduce low value administrative requirements, and reduce complexity.
Risk Profile		The allocation of risk between the parties is appropriate, with risk elements managed by the most capable party.	MSA terms generally in alignment with market; perceived risk of shared SLAs creates financial inefficiencies and cultural challenges.
Flexibility		The contractual provisions are clear and provide enough agility or flexibility to adapt to change.	The contract provides flexibility to turn up new services and adjust SLAs; the SOW requirements are not always clear and the pricing bands and termination charges limit flexibility.
Complexity		The agreement passes the "reasonable person" test when searching for and interpreting answers to contract questions.	The agreement is comprehensive and provides structure to address most questions; managing the volume of deliverables and service obligations is challenging.
Contemporary		The agreement supports the market shift to an as-a-Service delivery model with on/off pricing, low/no cost termination rights, ease of adding/removing services, and no exclusivity or minimum revenue commitments.	The contract is built around a legacy labor-based service and requires modern requirements, including automation, price alignment with cost structure, no-cost termination, and a simplified performance management model.
Scope Creep		The agreement (and working relationship) is supported by a sweeps clause that effectively reduces change order charges.	The agreement has an industry best practice sweeps clause and the requirements are robust enough to mitigate scope creep.

-  What's Working
-  Opportunities for Change
-  Urgent Change Needed

MSA KEY TERM COMPARISON

Topic	SAIC Agreement	Symbio Framework
Limitation of Liability	<p>Article 21 Liability Cap = \$95 million (# months?)</p> <p><u>Carve-outs (uncapped):</u></p> <ol style="list-style-type: none"> 1. Intentional or willful misconduct, fraud or negligence 2. Claims for bodily injury and real and tangible property damage 3. Losses that are subject of indemnification 4. Damages and costs associated with breach of Section 16 Data Security and Protection 5. Damages and costs associated with breach of Confidentiality 6. Improper or wrongful termination of Agreement; abandonment; failure to provide Transition Out Assistance 7. Damages associated with compliance with law <p><u>Other:</u></p> <ul style="list-style-type: none"> - Direct Damages 	<p>Article 17 Liability Cap = charges paid and payable for the prior 24 months</p> <p><u>Carve-outs (uncapped):</u></p> <ol style="list-style-type: none"> 1. Losses due to fraud, willful misconduct or gross negligence 2. Losses that are the subject of indemnification 3. Losses due to breach by Service Provider of certain reps, warranties and covenants 4. Losses caused by SP’s refusal to provide Services or Termination Assistance Services 5. Losses caused by breach of Art. 14 (confidentiality violations, data security violations, compliance with law) <p><u>Other:</u></p> <ul style="list-style-type: none"> - Direct Damages, Items Not Considered Damages, Cap Refresh

Topic	SAIC Agreement	Symbio Framework
Indemnification	<p>Article 19</p> <ol style="list-style-type: none"> 1. Criminal misconduct, willful misconduct, or negligence 2. Failure to perform duties associated with Use of VITA Resources 3. Breach of warranties (Section 15.1, 15.8) 4. Breach of obligations regarding confidentiality 5. Breach of obligations regarding data security and protection 6. Failure to comply with laws 7. Tax liability that are responsibility of SP 8. Bodily injury or property damage 9. Employment claims 10. Failure to perform or comply with Third party equipment, software or services 11. Insurance claims 12. Infringement claims 	<p>Article 15</p> <ol style="list-style-type: none"> 1. Gross negligence and intentional misconduct 2. Breach of reps, warranties or covenants in Art. 13 3. Termination or failure to perform or comply with 3rd party licenses, leases, or contracts 4. Breach of obligations regarding data or confidentiality 5. Failure to comply with laws 6. Tax liabilities that are the responsibility of the SP 7. Claims arising in shared facilities services 8. Affiliate, subcontractor or assignee claims 9. Personal injury or property damage 10. Employment claims 11. Government claims 12. Negligence claims 13. Infringement claims

MSA KEY TERM COMPARISON

Topic	SAIC Agreement	Symbio Framework
Insurance Requirements	Article 18 1. Workers' comp 2. CGL \$1M per occurrence 3. Employer's liability \$100K 4. Property Insurance full replacement cost and business interruption limit not less than \$2M 5. Commercial Fidelity and Crime \$5M per occurrence (incl. Computer Fraud) 6. Errors and Omissions \$20M per occurrence 7. Cyber Security \$30M per occurrence	MSA Attachment B 1. Workers' comp 2. CGL \$5M per occurrence; \$10M aggregate 3. Commercial auto \$1M per occurrence 4. Prof liability (including Cyber) \$10M per claim and aggregate 5. Commercial crime \$5M per occurrence; \$10M aggregate 6. All-risk property insurance in the amount of the replacement cost of VITA or Customer owned or lease property that is used to provide Services <u>Other:</u> - Minimum Amounts and No Implied Limitation provisions - Risk of Loss provisions
Performance Bond/Parent Guarantee	Does not exist	Section 19.27, MSA Attachment D - Alternate for negotiations \$20 million Performance Bond

MSA KEY TERM COMPARISON

Topic	SAIC Agreement	Symbio Framework
Warranties	<p>Article 15</p> <ol style="list-style-type: none"> 1. Promptness, diligence, professional and workmanlike manner in accord with industry standards 2. Adequate staffing and training 3. Title, Rights, Non-Infringement, Intellectual Property 4. Deliverable warranty 5. Compliance with Laws and VITA Rules 6. Financial capacity, no pending suites or proceedings, not prohibited by contract 7. Virus and Disabling Code 8. Interoperability 9. Inducements: VITA Rules, Code of Virginia, no economic opportunity, no gift or payment, special discounts, no financial interest, work authorization, no delinquent taxes, no abuse of authority/use of information for financial gain 10. Certifications: Not terrorist org, not suspended or debarred 11. Local Conflicts of Interest Act 12. Compliance with Federal Lobbying Act 	<p>Article 13</p> <ol style="list-style-type: none"> 1. Promptness, due care, skill and diligence; professional and workmanlike manner, in accordance with the Service Levels and accepted industry standards of first tier providers of similar services; adequate staffing, training and capability 2. Intellectual Property 3. Developed Materials Compliance 3. Certifications: Delinquent payments, Antitrust, no pending suits or proceedings, no federal bar (SAM), not terrorist org, Consanguinity requirements, IIRIRA, Homeland Security E-Verify 4. Inducements: Reliance, VITA/Customer Code of Ethics, no financial interest, no abuse of authority/use of information for financial gain, Independent Judgement, No Influence, No Payment Tied to Award, No Collusion 4. Disabling and Malicious Code provisions 5. Compliance with Laws provisions 6. EOC, Previous and Outside Contracts, Interoperability

MSA KEY TERM COMPARISON

Topic	SAIC Agreement	Symbio Framework
Termination	<p>Article 12</p> <ol style="list-style-type: none"> 1. Material breach within 30 days notice and opportunity to cure 2. Service Provider becomes suspended or debarred by any governmental entity 3. SLCs > 50% of At Risk in rolling 6 months 4. Fails to meet MSL or 5 SLD's over 3 consecutive months 5. For convenience, 60 days notice; SOW termination, 10 days notice 6. Privatization, divestiture, or dissolution of VITA 7. Service Provider Change in Control, 30 days notice 8. Adverse Changes in Supplier's Financial Circumstances (bankruptcy, insolvency, credit rating reduction of more than 2 steps) 9. Non-Appropriation of funds 10. Regulatory or legislative 11. Supplier has no rights to terminate 12. All terminations are in whole or in part 13. Per Exhibit 4, termination for convenience fees for stranded costs (e.g., equipment, contracts, severance) 	<p>Article 18</p> <ol style="list-style-type: none"> 1a. For material breach with 30 days notice and opportunity to cure. What constitutes material breach is described at length; including Service Level triggers 1b. By Service Provider: only for failure to pay triggered at 2-months + 30-day cure 2. For convenience with 90 days notice 3. Service Provider Change of Control: With 90 days notice, within 12 months of notification of a change of control of SP 4/5. Insolvency: Upon the insolvency triggers, as of a date specified by VITA/ Customer 6. Upon a specified adverse change in SP's financial condition; 30 days notice 7. Provides for step-in rights if SP cannot cure a material breach within 48 hours 8. All terminations are in whole or in part 9. No termination charges 18.10 provides a mechanism in Ex 4 for adjustment of pricing in the event of a partial termination.

Topic	SAIC Agreement	Symbio Framework
Data Privacy	Articles 16, 17 1. Definition of Confidential Information 2. Definition of VITA Data, Data Loss Event procedures, return or destruction requirements, 3. Maintain and comply with Data Security Program; FISMA and VITA policy 4. Independent 3 rd Party Security Testing 5. HIPAA compliance	Article 11, Cross Functional SOW Section 4.3 1. Definition Confidential Data, disclosure procedures, loss of data notification, return and destruction requirements 2. VITA and Customer Data: data security and safeguarding requirements, technology evolution standards, compliance with Laws, breach procedure 3. VITA and Customer Personal Data: Defined as data subject to state policy - PII: social security, driver's license, employer ID numbers, student ID numbers, financial account numbers - PI: residents name + SSN, DL, Passport, Personal Medical Data, Protected Health Information as set forth in HIPAA; email address with password or security questions; account number, CC, Debit 4. VITA and Customer Regulated Data to account for PCI data and PI Motor Vehicle Data Title 18 U.S.C. Sec. 2721 (Consider term based on data profile) 5. Maintain and comply with Data Security Program; FISMA and VITA policy 6. Independent 3rd Party Security Testing

MSA KEY TERM COMPARISON

Topic	SAIC Agreement	Symbio Framework
Intellectual Property	Article 11 1. Definition of Work Product, Embedded Materials	Article 12 1. Definition of VITA Owned Materials, Developed Materials , and Service Provider Owned and Licensed Materials , Work Product, Embedded and Dependent Materials 2. Source Code Escrow requirements Exhibit 2.2 Termination Assistance Services Article 6 1. Sets forth VITA and Customer On-Going Rights : 3 definitions of Materials with specific requirements as to VITA's and Customer's rights and Service Provider's obligations to support, modify, Upgrade, etc. throughout Termination Assistance and post termination

MSA KEY TERM COMPARISON

Topic	SAIC Agreement	Symbio Framework
Subcontractor Requirements	Section 13.3 1. Require VITA approval; scope and material terms provided to VITA upon request 2. List of subcontracts and third party contracts 3. Required assignment on similar terms including price; no fee for assignment	Section 9.8 1. Require VITA approval, VITA access to entire and complete Agreement 2. Required assignment and licenses; no fee for assignment 3. Required flow-downs: Termination Assistance, Termination Rights, Audit Rights, Material (IP) Rights, Insurance, Compliance with Law (including VITA/Customer Rules and Standards), VITA Use of Third Parties (Right of Use)

MSA KEY TERM COMPARISON – PERFORMANCE RISK MANAGEMENT

Topic	SAIC Agreement	Symbio Framework
Sweeps Clause / Implied Services	Section 1.5 1. Includes Functions reasonably required for or are incidental to or inherent in performance and provision of the Services	Section 4.1 1. includes “services, responsibilities, functions and tasks that are reasonably required for the proper performance and provision of the expressly described Services”
Due Diligence Warranty	Does not exist	Section 13.15 1. Parties engaged in due diligence during the procurement process 2. No adjustment for failure of any assumption made by SP, due diligence complete
Benchmarking	Does not exist	Section 10.3 1. Optional annual third-party benchmarking reviews. 2. If > 10% variance, SP pays for benchmark and adjusts Charges
Service Levels and Service Level Credits	MSA Article 3 and Exhibit 3 series 1. Root Cause, Second Root Cause, CAP and Termination tied to performance 2. At-Risk aligned with market standard margins 3. SLA's and associated pool for Service Level Credits 4. Earnback methodology 5. VITA right to modify and continuous improvement requirements	MSA Article 7 and Exhibit 3 series 1. SLIP, CAP, and Termination tied to performance 2. At-Risk aligned with market standard margins 3. SLA's and associated pool for Service Level Credits 4. Earnback methodology 5. VITA right to modify and continuous improvement requirements 6. Simplify to MSL only metric and remove Performance Categories

MSA KEY TERM COMPARISON – PERFORMANCE RISK MANAGEMENT

Topic	SAIC Agreement	Symbio Framework
Payment Withholding / Deliverable Credits	MSA Article 10 and Exhibit 3 1. Establish Deliverable Credits for Critical Deliverables; not set-off against damages 2. No Earnback; no payment for re-performance 3. Aggregate Deliverable credits capped at At Risk amount	Section 7.3 and Exhibit 3 series 1. Establish Deliverable Credits for Critical Deliverables; not set-off against damages 2. No Earnback; no payment for re-performance
Acceptance	Article 10 and Exhibit 3.1 1. Defined Review Period and Rejection / Review of Deliverables procedures 2. Acceptance Criteria defined in DOTS 3. 30 BD Acceptance Review Period, +15 BD extension	Exhibit 2.1.1 Section 5.4 Acceptance and Exhibit 3.1 1. Additional definitions for Deliverable's (Critical, Payment, Time-Critical) 2. Defined Deliverable Acceptance Criteria , Review Period and Non-Compliance procedures 3. 10BD Acceptance Review Period
Continuous Improvement / Technology Evolution	Section 1.6 Evolution of Services 1. Obligation to evolve quality, efficiency, and effectiveness of services, apply industry best practices, train SP personnel, invest in services tools, infra and software	SOW Section 2.1.1 Section 5.7 Technology Evolution 1. Obligation to evolve the services, maintain flexibility in the architecture, identify industry best practices, and report on progress
No Minimum Volumes	Exhibit 4.0 Section 2.0 1. No minimum revenue commitment or fee	Exhibit 4.0 Section Introduction 1. No minimum revenue commitment or fee
Step In Rights	Section 20.5 1. Notice: Following Remediation plan draft 2. Reimburse Step-In Costs	Section 18.7 1. 48 hours after uncured material breach 2. Reimburse costs and expenses