

# The OI&T Digital Centers: Industry Day

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U.S. Department  
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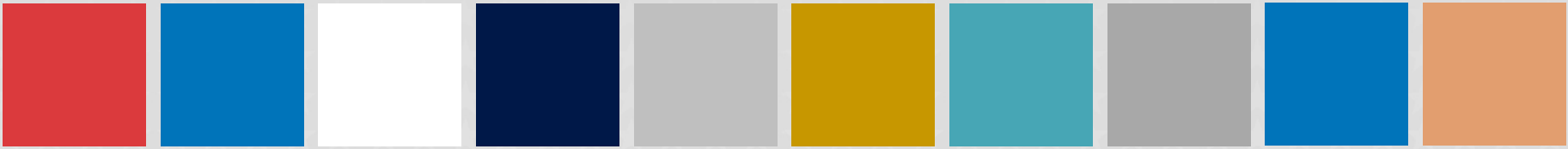
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## **Acquisitions and Contractual Authority Disclaimer**

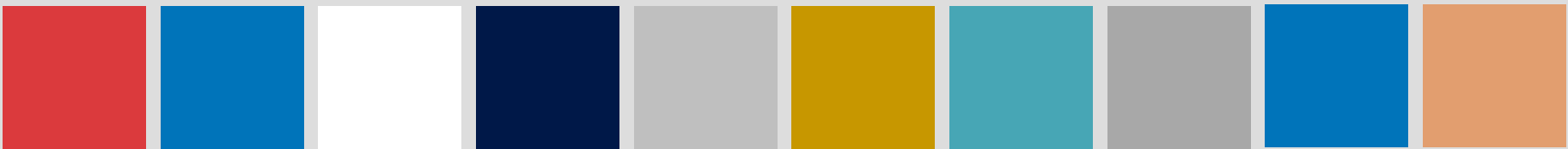
Acquisitions and contractual commitments can only be made by Government officials having expressed authority to enter into such agreements on behalf of the United States Government. The only Government officials with such authority are Warranted Contracting Officials. Any discussions of procurement requirements do not constitute contractual direction or authorization of any kind. Future contractual directions, If any, shall only come from the cognizant Department of Veterans Affairs Warranted Contracting Officer.



# VA OI&T Background



**18 months ago, we began  
a Transformation in OI&T**



# But Why?

**After examination, we knew we needed a full Transformation to meet current and future demands:**

- Vastness of the VA Enterprise and the scope of VA mission
- Changing Veteran demographics
- Shifting business partner needs
- Rising public expectations
- Rapidly changing and advancing IT landscape

# And How?

## **Mission**

Collaborate with our business partners to create the best experience for all Veterans.

## **Vision**

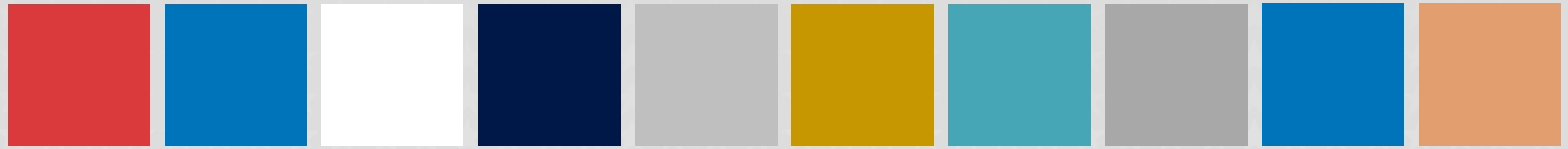
Become a world-class organization that provides a seamless, unified Veteran experience through the delivery of state-of-the-art technology.



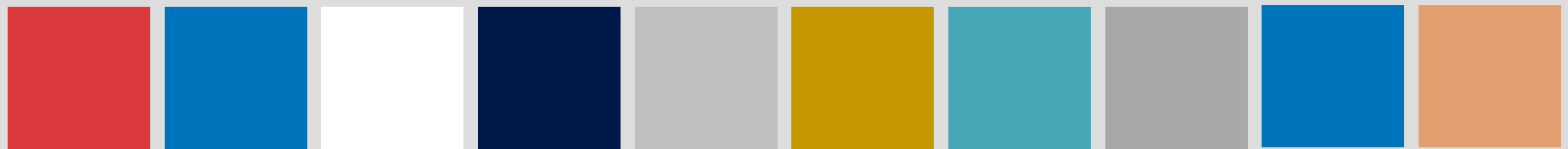
# Our Transformation:

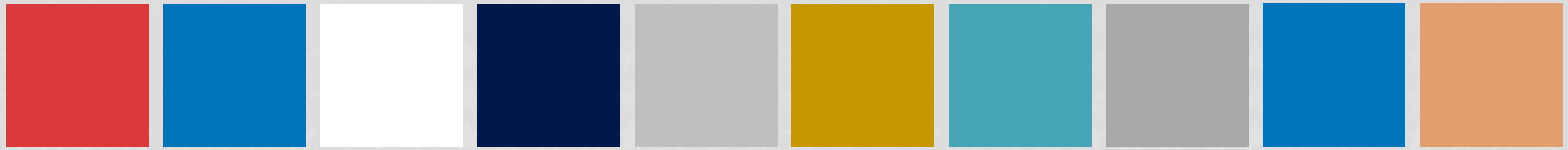
**We achieved 3 years' worth of work  
in 18 months**





**OI&T made the most  
significant transformation  
within the MyVA initiative**





**We accomplished much of what we  
set out to achieve, but our work  
continues**



# We Continue to Transform in 2017

Three goals continue to drive our work



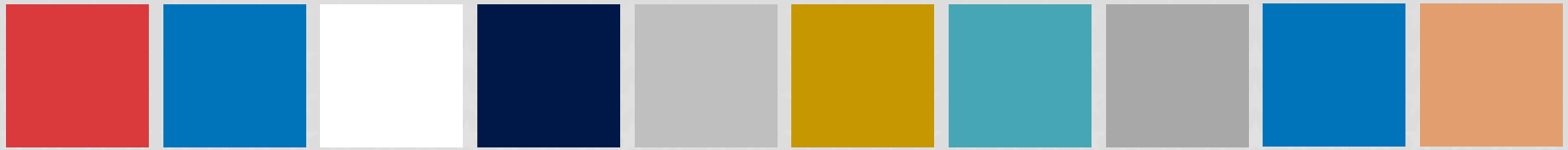
Four principles define our delivery



# We Continue to Transform in 2017

Six commitments keep the Veteran at the core of all we do

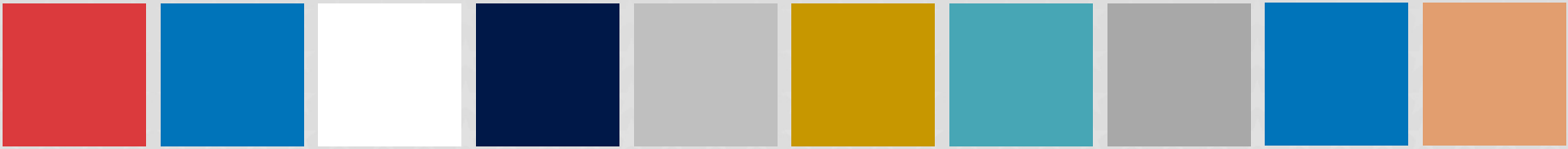




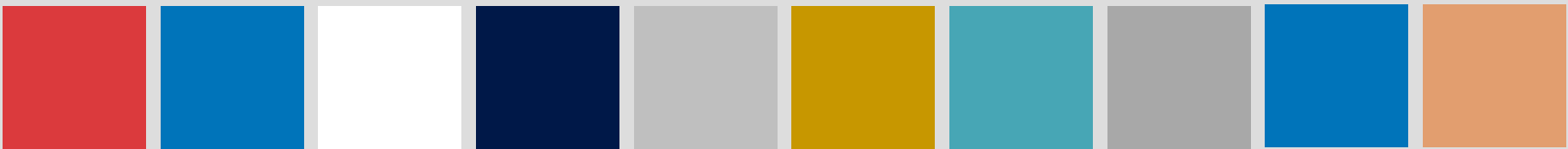
**We will achieve continued  
success through partnership.**

**We succeed together.**





# What Is Strategic Sourcing?



# Strategic Sourcing: A New VA OI&T Critical Function

**ENTERPRISE PROGRAM  
MANAGEMENT OFFICE**



**DATA  
MANAGEMENT**



**ACCOUNT  
MANAGEMENT**

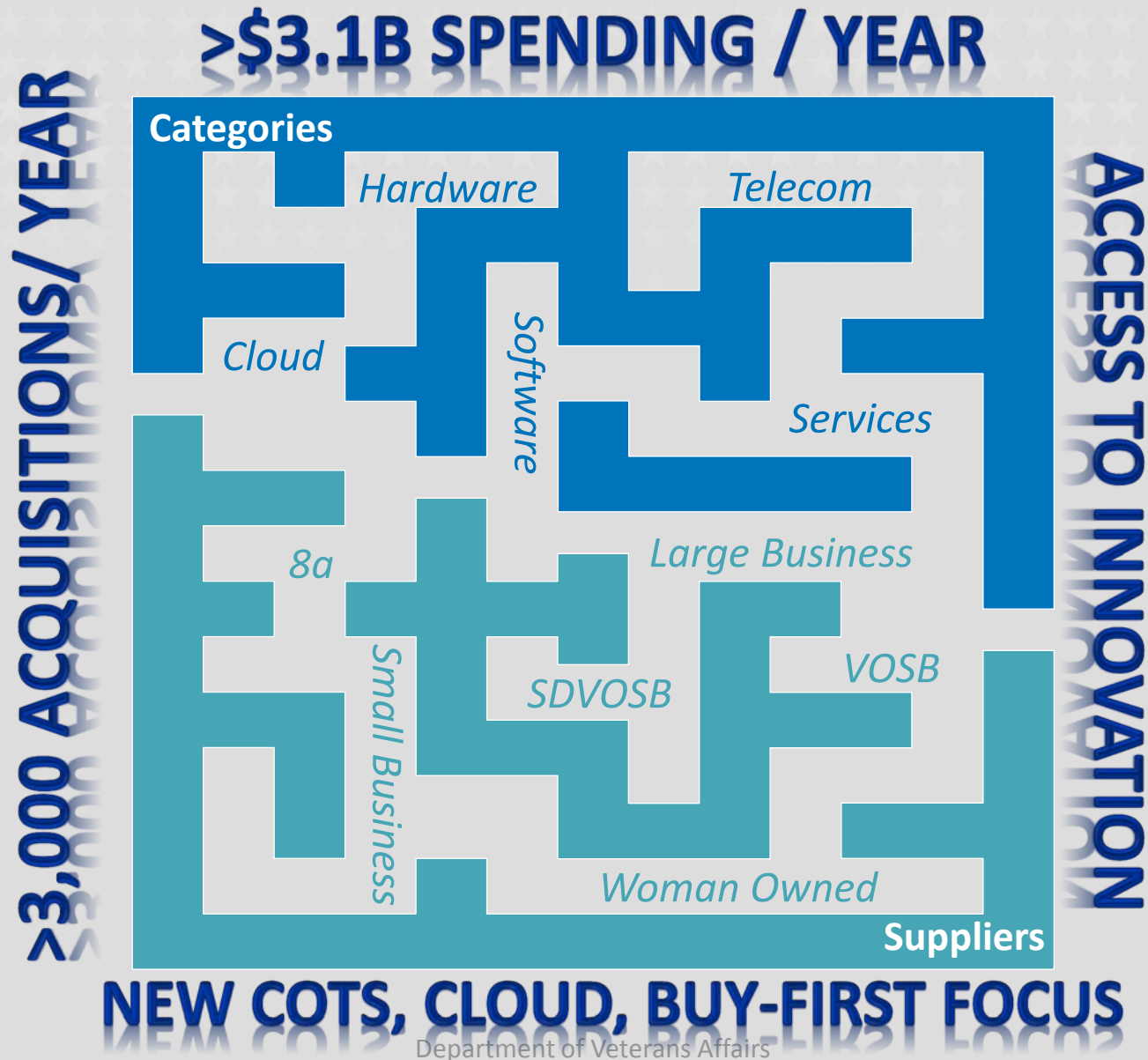


**QUALITY AND  
COMPLIANCE**



**STRATEGIC  
SOURCING**

# The Strategic Sourcing Opportunity





# Strategic Sourcing = VETERAN ACCOUNTABILITY



STRATEGIC  
SOURCING

*Strategic Sourcing ensures that the VA consistently receives innovative, best-in-class products and services from suppliers at the best price! This allows the VA to deliver **outcomes that improve the Veteran experience.***

# Strategic Sourcing = SUPPLIER VALUE



# How Strategic Sourcing Drives Transformation



## Prioritizes Value Over Cost

- Optimization and stewardship of taxpayer dollars through best value decisions
- Identifies suppliers who demonstrate ability to deliver products and services
- Supports continuous improvement and innovation



## Directly Ties Vendor Performance to Value

- Centralizes ownership and accountability of IT acquisition decisions under the CIO
- Supports execution of FITARA
- Monitors supplier performance and holds them accountable



## Cuts Through Bureaucratic Red Tape

- Uses outcome-driven requirements approach, aligning to OI&T strategic direction
- Reduces acquisition package fragmentation by aligning OI&T-wide sourcing strategy with portfolio



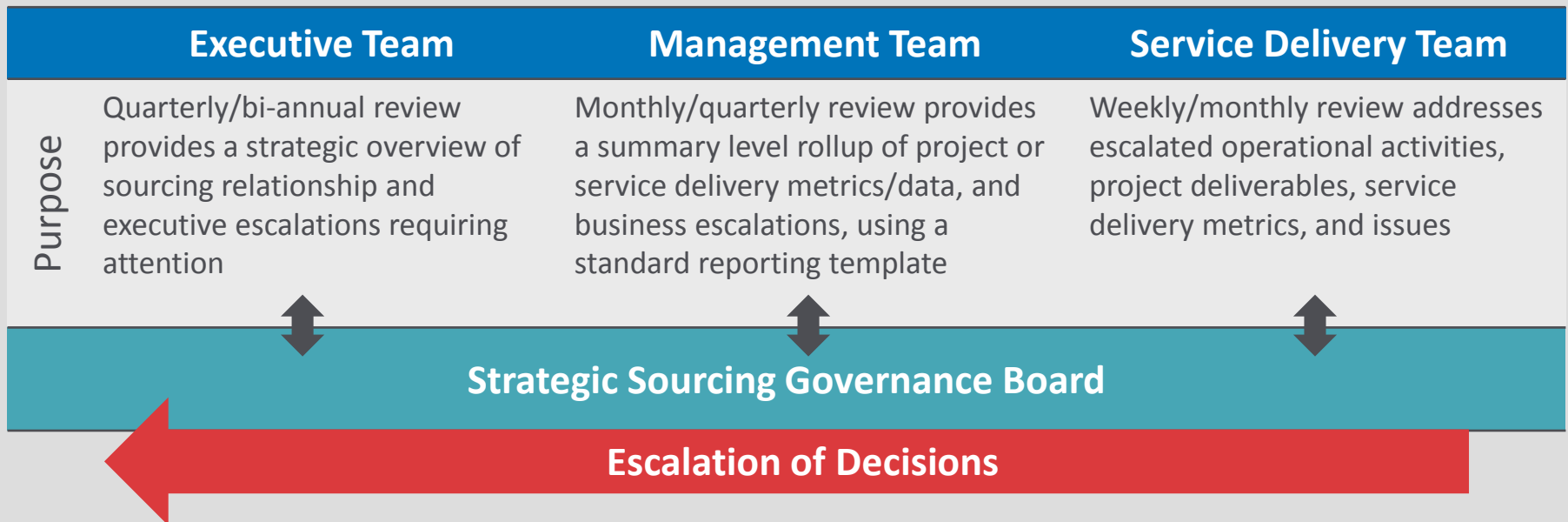
## Facilitates Quick and Efficient Solutions

- Supports VA's Cloud-First, COTS-First, Buy-First Strategy
- Improves speed to market, delivering solutions to Veterans faster
- Identifies solutions that meet business and Veteran needs

Continuous Improvement

# Strategic Sourcing = SUPPLIER GOVERNANCE

- VA OI&T is implementing a **standardized governance committee framework** across the supplier base to support improved contract performance and oversight
- Each layer of ascending governance has important **relationship, issue management, and decision making roles**
- The Strategic Sourcing Governance Board sets the governance standards and provides input from the organization





# Digital Center (DC)

# Acquisition Overview: Digital Center (DC)

*Aligned with myVA mission to care for the veterans, their families, and survivors*

## Vision

Enable VA's business of caring with agile technological innovations that build trust and improve access to high quality integrated application development and sustainment services.

## Mission

Be the single source of market-driven innovation, an agile operator and collaborator, reducing time to market while continuously improving delivery and sustainment capabilities.

# Acquisition Overview: Digital Center (DC)

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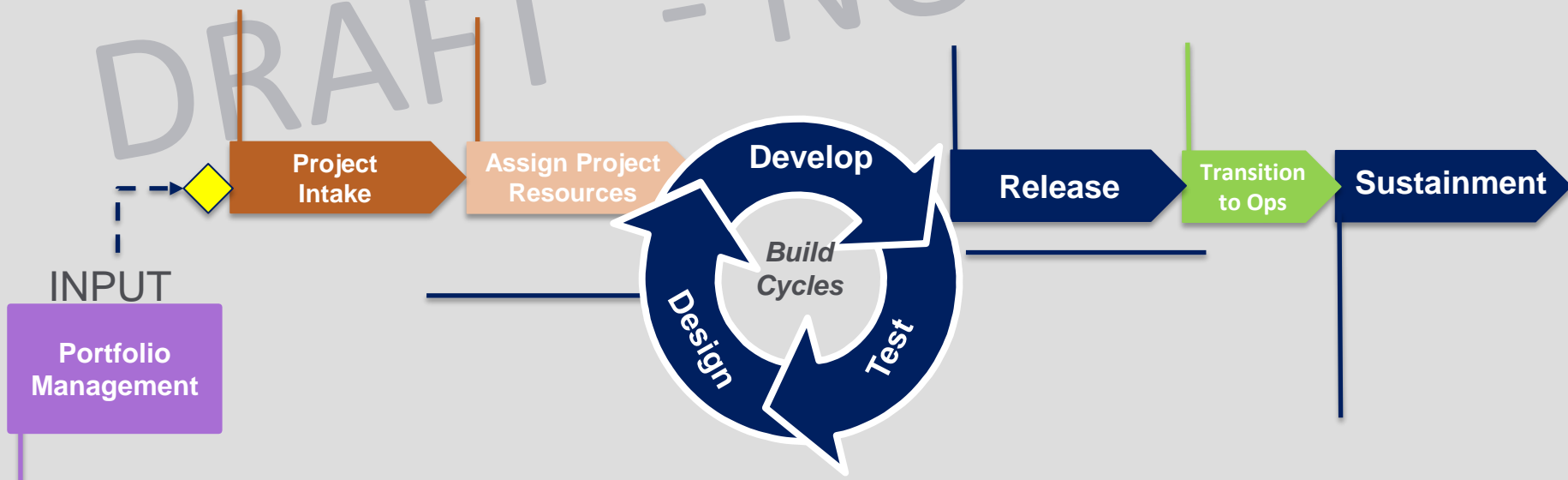
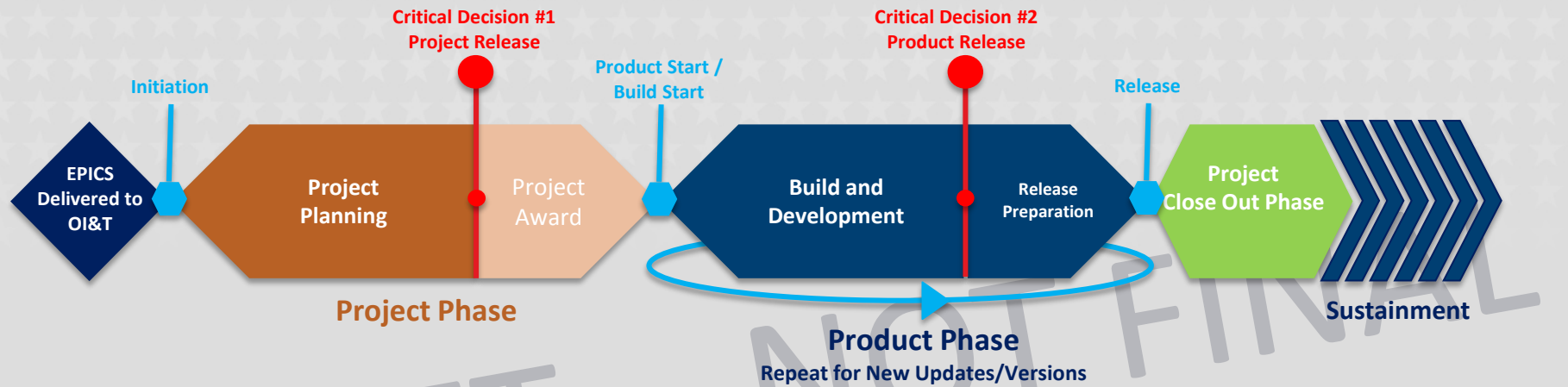
## Key Business Requirements

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- A rigorous work-intake processes aligned to OI&T governance processes including IT security;
- Timely decision making, clear accountability and ownership at all levels;
- Simplified processes, transactions, and interactions with the VA to support speed to market;
- Agile application development processes designed and measured for cycle time;
- Quick ideation, rapid prototyping, quick provisioning and development;
- Rapid build releases to deploy enhanced functionality faster to customers;
- Strong forecasting methods for effective resource planning;
- Demand driven onboarding/off-boarding of resources;
- A consistent service model and standard approach for providing sustainment services;
- Use of common tools and techniques to deliver standard service levels;
- Robust knowledge management processes;
- Transformation to solutions available in the industry in support of VA's commitment to buy-first, cloud-first;
- Recommendations on how the VA could improve productivity (e.g., identifying off-the-shelf-products to replace home-grown code, modernizing code, etc.);
- Experience transitioning a client to an existing Digital Center; and
- Experience providing technical and organizational transformation to a client similar in size and complexity of VA.

# NOTIONAL DIAGRAM: DC Scope and VIP

## VIP Process



## DC Processes





# Question and Answer

# Digital Centers Q&A (1 of 19)

Questions	VA Responses
<div data-bbox="19 205 94 278">1</div> <p data-bbox="112 278 962 776">Does the government expect the contractor to house staff inside contractor-owned Development Centers, or will space be provided in Government facilities for these staff? If so, which Government locations and facilities?</p>	<p data-bbox="989 278 1837 776">The contractor is expected to house staff in a location that will be near VA facilities. Further location information will be provided in the RFP.</p>
<div data-bbox="19 776 94 849">2</div> <p data-bbox="112 776 962 1328">Is there a specific location the VA is anticipating for the Development Centers? Is there either a Federal or commercial development center that the VA considers as a model for this type of operation? Can the VA provide any specific requirement for the facility?</p>	<p data-bbox="989 776 1837 1328">The location will be near VA facilities. Further location information will be provided in the RFP.</p>

# Digital Centers Q&A (2 of 19)

Questions	VA Responses
<b>3</b> Is the expectation that VA resources would co-locate on site full time at the Development Center? If not, what % of time do you expect they would?	No  % will be driven by project requirements.
<b>4</b> Will the government designate any development center locations or are they at vendor discretion?	The location will be near VA facilities. Further location information will be provided in the RFP.
<b>5</b> Does the government anticipate multiple development center environments? If so, will the development center(s) have specific competencies? If so, will the government identify those competencies and the locations for each of them?	This information will be provided in the RFP, however the government expects multiple development centers.

# Digital Centers Q&A (3 of 19)

Questions	VA Responses
<div data-bbox="19 207 96 285">6</div> <p data-bbox="112 368 931 602">Will this effort be awarded to a single bidder? If not, how many awards does the Government expect to make?</p>	<p data-bbox="991 396 1816 571">We expect this to be multiple awards. The number of providers is still being considered.</p>
<div data-bbox="19 759 96 838">7</div> <p data-bbox="112 888 942 1190">Does the government anticipate more than 1 Prime awardees for the development Centers program? If so, how many awardees does the government project?</p>	<p data-bbox="991 948 1816 1122">We expect this to be multiple awards. The number of providers is still being considered.</p>

## Digital Centers Q&A (4 of 19)

Questions	VA Responses
<div data-bbox="19 205 92 278">8</div> <p data-bbox="112 278 962 699">To meet the scale and complex requirements of this RFI, will VA require bidders to maintain a current CMMI-DEV Maturity Level 5 appraisal rating and ISO 9001 certification for capabilities in their Development Centers?</p>	<p data-bbox="989 364 1800 606">At minimum VA expects the prime provider to maintain and exceed CMMI-DEV Maturity level 3 and have ISO 9001 certification.</p>
<div data-bbox="19 759 92 832">9</div> <p data-bbox="112 949 815 1128">Will the government consider including Orals in the evaluation process?</p>	<p data-bbox="989 978 1704 1092">VA may consider Orals as part of evaluation process.</p>

# Digital Centers Q&A (5 of 19)

Questions	VA Responses
<div data-bbox="19 214 92 282">10</div> <p data-bbox="112 275 917 829">With the VA utilizing IBM Rational Tools for application development efforts, will the VA require the development Center contractor(s) to utilize IBM Rational as well? Will the VA provide the toolsets to the Prime(s) or will the Prime(s) be responsible for providing their own licenses?</p>	<p data-bbox="989 496 1767 604">This information will be provided in the RFP.</p>
<div data-bbox="19 892 92 961">11</div> <p data-bbox="112 953 917 1258">What arrangement will the Prime contractor(s) have with the VA to utilize existing VA toolsets and platforms in the development and operations activities of the program?</p>	<p data-bbox="989 1051 1767 1158">This information will be provided in the RFP.</p>

## Digital Centers Q&A (6 of 19)

Questions	VA Responses
<div data-bbox="19 205 94 277">12</div> <p data-bbox="112 325 900 499">Will the Government furnish and/or specify the commercial cloud vendor(s)?</p>	<p data-bbox="993 354 1688 465">Some of this information will be provided in the RFP.</p>
<div data-bbox="19 608 94 679">13</div> <p data-bbox="112 782 938 1145">Please clarify what government-furnished equipment (GFE), government furnished environments (cloud-based or government-hosted), and government-furnished tool suites will be provided as part of this effort.</p>	<p data-bbox="993 908 1688 1019">Some of this information will be provided in the RFP.</p>

## Digital Centers Q&A (7 of 19)

	Questions	VA Responses
14	What is the anticipated volume of projects expected to be transitioned into the Development Center, and is there a schedule for when the projects must begin and end?	This information will be provided in the RFP.
15	The RFI references Development Centers as Innovation Centers. Can the VA elaborate what type of innovation is anticipated, e.g., DevOps, R&D, etc.?	The name for this initiative in VA is Digital Center, the industry based language was used in RFI.
16	Will the Government provide test data relevant to each specific program?	This question is project specific and it will be based on project requirements.



# Digital Centers Q&A (8 of 19)

Questions	VA Responses
17 The RFI mentions over 500 new projects will be supported by the Development Centers.	
A Is the VA anticipating vendor resources to work across multiple projects or be dedicated to a single project?	Yes, VA expects vendor to manage resources across multiple projects.
B Does the VA anticipate a multi-vendor Development Center?	VA expects single Prime vendor for each development center.
C Can the VA provide a Concept of Operations?	A Concept of Operations will be provided in the RFP.

# Digital Centers Q&A (9 of 19)

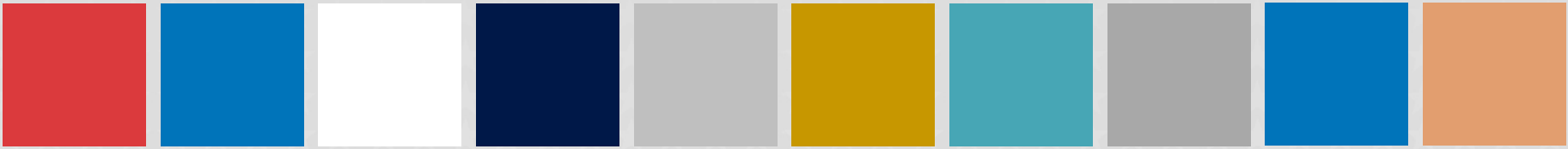
	Questions	VA Responses
18	Are there specific areas/programs of focus within the VA for these 500 new projects?	This information will be provided in the RFP.
19	For the 500 new projects, can the VA give an average timeframe for the Period of Performance?	This information will be provided in the RFP.
20	Do the VA resources, that will be supporting these new 500 projects, have prior Agile experience or training?	Yes, the VA resources have experience and been trained in Agile.
21	For the 500 new projects, can the VA give an average timeframe for builds? How about releases?	Average timeframe for builds and releases will be based on VA established VIP framework.

# Digital Centers Q&A (10 of 19)

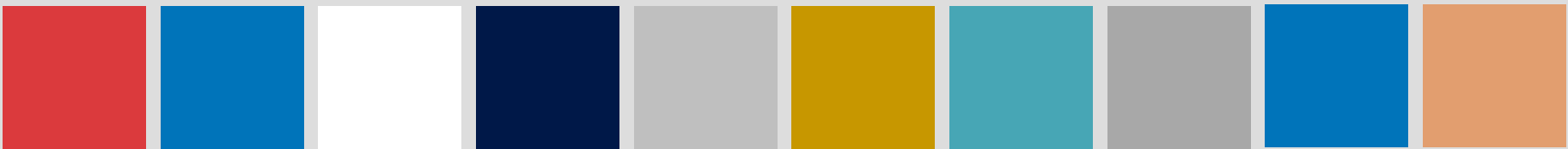
Questions	VA Responses
<div data-bbox="19 207 98 285">22</div> <p data-bbox="112 307 962 671">Does the government anticipate having full capacity available immediately upon award for the base year? If not, what capacity increments or ramp-up rate will be required by quarter/year?</p>	<p data-bbox="989 364 1831 606">The government doesn't anticipate having full capacity available immediately upon award for the base year.</p>
<div data-bbox="19 761 98 839">23</div> <p data-bbox="112 949 962 1128">Will the government provide a development center(s) overall transition schedule for all products?</p>	<p data-bbox="989 978 1831 1092">This information will be provided in the RFP.</p>

# Digital Centers Q&A (11 of 19)

Questions	VA Responses
<div data-bbox="19 205 98 278">24</div> <p data-bbox="112 396 884 572">What are the anticipated travel requirements and range of position sensitivities?</p>	<p data-bbox="993 304 1789 668">During the set-up and operationalization of the Development Center, travel may be required to perform the tasks associated with the effort, as well as to attend program-related meetings.</p>
<div data-bbox="19 758 98 831">25</div> <p data-bbox="112 858 948 1222">Does the VA expect to transition the current legacy applications "as-is" into the development Center(s) along with the infrastructure supporting the applications? If yes, how many and what type?</p>	<p data-bbox="993 982 1763 1089">This information will be provided in the RFP.</p>



# Questions from Industry Day



## Digital Centers Q&A (12 of 19)

Questions	VA Responses
<div data-bbox="19 204 98 282">26</div> <p data-bbox="98 454 884 489">How will the contract work with T4NG?</p>	<p data-bbox="991 225 1825 718">No contracting decisions have been made. VA is using feedback from the RFI and this Industry Day to help formulate an acquisition strategy. If there are suggestions for the type of contract or an existing contract vehicle that should be used, the contracting team urges Vendors to submit feedback. This includes contract formulation, pricing methods, etc.</p>
<div data-bbox="19 732 98 811">27</div> <p data-bbox="98 753 933 1018">What does the VA foresee as the cost model? If the RFP is going to be open and the VA is looking for constantly available resources, how will the cost model be structured?</p>	<p data-bbox="991 832 1806 932">We have not defined the cost model yet but are interested in Vendor experiences.</p>
<div data-bbox="19 1032 98 1110">28</div> <p data-bbox="98 1053 904 1203">Will there be awards for contractors for reducing turnover? Will the VA reward a DC for retaining staff?</p>	<p data-bbox="991 1110 1570 1146">Incentives will be considered.</p>
<div data-bbox="19 1218 98 1296">29</div> <p data-bbox="98 1268 909 1368">When existing contracts expire, will they move to the DC?</p>	<p data-bbox="991 1296 1663 1339">It will depend on the project type.</p>

## Digital Centers Q&A (13 of 19)

	Questions	VA Responses
30	Will DC project allocation be decided on DC capabilities?	As of now, the VA will decide project allocation. The contract type/vehicle has not been decided, so it is unknown how projects will be allocated
31	Will projects be competed among Digital Centers?	The contract type/vehicle has not been decided, so it is unknown how projects will be allocated.
32	Is the intent to award a contractor team with a portfolio line item?	The VA has not decided on the relationship between the Digital Centers and portfolio

## Digital Centers Q&A (14 of 19)

Questions	VA Responses
<div data-bbox="19 205 98 282">33</div> <p data-bbox="112 472 927 708">How will work at the VA Demand Management Office complement the Digital Center initiatives? Will this create an OCI?</p>	<p data-bbox="991 282 1816 896">The Demand Management Office provides initial sizing information and project KPIs that are used for decision-making by the Portfolio Investment Management Board not the Digital Centers. As the process matures, we will determine whether or not to involve the DC earlier. Regarding an OCI, we will not be able to comment at this time.</p>
<div data-bbox="19 986 98 1063">34</div> <p data-bbox="112 1043 927 1222">How do we make business arrangements pre-project or ongoing at a DC (teaming, subs, etc.)?</p>	<p data-bbox="991 1011 1783 1310">Portfolio management is key as it determines what work we are doing (current and future). VA will provide enough time to DC to make their business arrangements.</p>



# Digital Centers Q&A (15 of 19)

Questions	VA Responses
<div data-bbox="19 215 94 287">35</div> <p data-bbox="112 401 948 511">Where will the integration with digital centers occur?</p>	<p data-bbox="991 339 1792 572">We haven't decided how to slice and dice the work across the DCs. However, integration will need to occur across the DC environment.</p>
<div data-bbox="19 711 94 782">36</div> <p data-bbox="112 801 948 911">Will current initiatives like scheduling be transitioned?</p>	<p data-bbox="991 829 1721 882">We cannot comment at this time.</p>
<div data-bbox="19 1018 94 1089">37</div> <p data-bbox="112 1143 948 1196">How will you integrate Kingdomware?</p>	<p data-bbox="991 1025 1731 1315">The purpose of the RFI and this Industry Day is to perform market research to determine capable contractors. VA will fully follow all Kingdomware guidelines.</p>

## Digital Centers Q&A (16 of 19)

Questions	VA Responses
<b>38</b> Regarding physical proximity to VA locations, will there be a requirement to have contractor facilities near existing VA facilities?	Our preference is to have centers near stakeholders. Locations requirements will be provided in RFP.
<b>39</b> Colocation does not seem as vital as the VA is making it. Having that be such a critical piece for what we are trying to do moving forward doesn't make sense. What is the purpose?	The VA is geographically dispersed currently. The VA wants the human interaction and the continuity of institutional knowledge. Also, for Agile DC to be successful, it is critical to have DC close to VA business team.
<b>40</b> Are we going to bring the VA employees back to these spaces? If the Vendor is moving, we expect the VA to move too. Agile only works with constant communication.	We cannot comment at this time.

## Digital Centers Q&A (17 of 19)

Questions	VA Responses
<b>41</b> Are the projects taken on by the DC VIP projects?	Anything that we are doing in the application space will follow VIP and Agile. Expectation is that DC will also use Agile.
<b>42</b> Does the VA anticipate that the 500 projects mentioned in the RFI to be concurrent?	500 projects was provided as context for scale. Focus should remain on the type of work and the scale. We have six current initiatives and sustainment work. Prioritization will determine what the DC takes on.
<b>43</b> Since there are so many details that are unknown, will there be a draft RFP?	We have draft requirements and are determining whether we are going to release information early and at what level of detail. We will use info provided in the RFI responses from Vendors. We encourage the questions to go through contracting officer.

## Digital Centers Q&A (18 of 19)

	Questions	VA Responses
44	Can you identify the procurement milestones?	We don't have set milestones, but we do hope to move forward in FY17.
45	Are we going to take into account onboarding and environment set up?	Yes.
46	Will there be downtime at the DC?	We are not expecting large amounts of downtime. VA has a constant flow of work that we will be moving to DC.
47	Will the DC be engaged with OMB/ Data Center consolidation/ DCOI?	Data center consolidation requirements will affect the DC. OI&T is starting to standardize the environment. We also have a strategy towards data center consolidation. The DC is helping to enable this.
48	Will there be DC Centers of Excellence that specialize in capabilities?	That answer is not available yet. The next phase is to figure out how we slice and dice this.

## Digital Centers Q&A (19 of 19)

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### Questions

Is this an OI&T initiative or will you have to report to Congress on this?

### VA Responses

This is part of the OI&T strategy and the OI&T strategy has been briefed to VA and Congress. This is an enabler for the strategy we have already committed to.



**Thank you.**

