Welcome to Industry Day

Industry Day

July 18, 2014
10:00 am to 1:00 pm

Welcome

Gay Gilbert, Administrator

Unemployment Insurance

U.S. Department of Labor

Industry Day Agenda

- Welcome

- Goals for RFI and Industry Day

- Information Technology Support Center (ITSC) Role in Exploring National Cloud Solutions for UI System

- GSA Exploration of Cloud Solutions

- USDOL Exploration for Cloud Solutions

- Review of the Technical Components of the RFI

- State UI Agencies & Cloud Technology

- Questions and Answers

- Wrap-up and Adjourn

RFI Goals

■ Engage the vendor community and obtain information that will promote innovative models using cloud technology for implementing and managing UI IT infrastructure among state UI programs

■ Obtain information regarding the interests and capability of all qualified industry sources to participate in a managed UI Cloud community that is:

  ➢ Cost effective

  ➢ Innovative

  ➢ Sustainable

  ➢ Flexible and Agile

  ➢ Support multi-tenancy or shared computing resources amongst states

  ➢ Provide options for: SaaS (Software as a Service), IaaS (Infrastructure as a Service), PaaS (Platform as a Service) or other Blended, Community models

Goals of Industry Day

- Provide greater context for the vendor community regarding goals for the use of cloud technology to support the UI system

- Enhance vendors' understanding of UI information technology infrastructure

- Clarify the RFI requirements and the technical aspects and potential range of cloud solutions for the UI system

- Respond to Vendor Questions on the RFI

UI Program Structure

- The UI Program is a federal/state partnership

- Federal law provides broad program parameters, but states administer their UI programs in accordance with their state's law

- 53 states/jurisdictions with different laws and different IT infrastructure

- Approximately 80% of the UI program is the same or similar across the states

Opening Panel Introductions

- **Joe Vitale, Executive Director**

  Information Technology Support Center, NASWA

- **Tom Kireilis, Acting Director, Cloud Program Management Office, General Services Administration**

- **Dawn Leaf, Deputy Chief Information Officer**

  U.S. Department of Labor

Welcome

Exploring Cloud Solution for the Unemployment Insurance System

Joe Vitale, Director

Information Technology Support Center

ITSC Cloud Feasibility Project

- ITSC in partnership with USDOL is conducting a feasibility study to explore the benefits, challenges, risks and other issues around the potential use of cloud computing resources to support consortia and individual states in the operations of state unemployment insurance programs

- The study will look at the potential for identifying cloud solutions that could support states nationwide as they modernize their UI Benefits and Tax systems

- This RFI is one component of the study

Focus of the Cloud Study

- Cloud Security; i.e. following Federal Guidance (FISMA, NIST)
- Personal Identifying Information, encryption, etc.
- Data Privacy and Data Ownership
- Vendor Independence, System Portability and Exit Strategies
- Contingency Planning, Disaster Recovery
- Application and Technology Product Compatibility, Evolution, Upgrades (includes Federal and State law changes)
- Intellectual Property Rights (TEGL 31-04 and States' Laws and Statutes)
- Service Level Agreements (includes performance metrics and reporting)
- Operational Service Agreements (Support Service Levels, Credit Schema, Help Desk)
- Cost and Funding Model
- Interface Integration
- Governance
- Data Migration
- On-Boarding
- Flexibility for States
- Accessibility (e.g. Internal vs Public Web)
- Growth Considerations and Impact on Cost

Project Process

- ITSC is reaching out to Federal Agency SME's and independent experts focusing on lessons learned and successful practices and looking at common industry models of cloud:
  - Service Models -- IAAS, PAAS, SAAS
  - Deployment Models --Hybrid, Community, Public and Private
  - Broker Models
- Outreach to states for experiences
  - It should be noted WyCAN (SaaS like model) , SCUBI (IaaS) and MRM (IaaS) consortia are already moving to different cloud models as discussed at the recent webinar
- Outreach to industry through this RFI process

Outcomes

Outcomes:

- Expected Outcomes from this work will be designed to level set and educate
- Including a Final Report or White Paper covering:
  - Areas of Opportunity to Leverage Cloud Solutions
  - Options for Proof of Concept activities
  - Updates to the ITSC UI IT Modernization Wiki for States with best practices on cloud solutions

Mr. Thomas Kireilis

Acting Director
Cloud Program Management Office (PMO),
Federal Acquisition Service (FAS),
Integrated Technology Services (ITS)

Email: thomas.kireilis@gsa.gov

**Visit www.gsa.gov/cloud to learn more about Cloud PMO offerings**

GSA

The GSA FAS ITS is the largest and most comprehensive IT procurement organization in the Federal Government

❖ We provide customer agencies with broadly accepted cost and time savings procurement vehicles to increase government efficiency especially through the adoption of cloud computing technologies.

Potential IT Federal Spend on Cloud Computing

Source: OMB, Federal Cloud Computing Strategy, February 8, 2011

2013 Federal IT Marketshare	2013 Business Volume	2013 Agency Savings	Agencies Supported
27.5%	$21.4B	$1.45B [1]	98% [2]

Small Business representation on IT Schedule 70	2013 Federal Market	State and Local Partnerships	Federal Strategic Sourcing Solutions
80%	$77.9B	$665M	2

1 – Savings based on SmartBuy, Networx, FSSI Wireless, and COMSATCOM for Federal Agencies
2 – Agencies support based on FPDS FY13 data
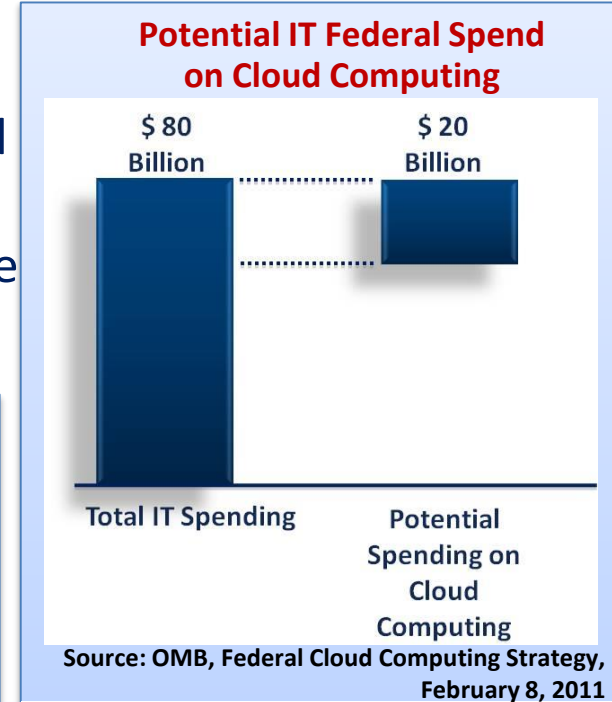
Cloud Computing Technology is emerging and redefining the way information technology (IT) is delivered to government agencies.

- Over the years, GSA FAS ITS has emerged as a cloud centric, strategic and trusted advisor across the government.

- We have successfully engaged with and collaborated across multiple government agencies to understand the government cloud business needs, requirements and pain points and as a result launched and refreshed our cloud initiatives to address these areas.

- In FY14 Q3, the GSA FAS ITS Cloud PMO engaged with DOL ETA OUI and NASWA ITSC as a "Trusted Advisor" to offer DOL the benefit of GSA's experience in establishing Cloud Acquisition vehicles and gaining traction with industry cloud offerings.

- Our collaboration with DOL is an example of GSA good for government initiative promoting cross agency engagements, sharing best practices, lessons learned, knowledge, resources and collateral thereby aiding with acceleration of cloud adoption and modernization across the government and preventing reinvention of the wheel.

GSA

- ✓ In FY12, GSA engaged with federal Departments and Agencies to evaluate the concept of a cloud brokerage: DHS, DHHS, DOL, DOJ, NASA, DOD, GSA (including OCSIT, AAS, ITS, and FAS ACQ.)

- ✓ GSA CSB Request For Information (RFI) Released July 17, 2012

- ✓ Hosted Industry Day in August, 2012 with 150+ attendees out of 200 potential interested individuals

- ✓ Received total of 81 Cloud Services Broker (CSB) RFI responses (79 written and two (2) verbal) from industry partners.

- ✓ Invited 17 out of the 81 CSB RFI respondents for (in-person) deep dive discussions - February 2013

- ✓ Identified & engaged with cornerstone stakeholders (such as DHS and DHHS) for GSA's CSB Proof Of Concept (POC) phase implementation

- ✓ Engaged with other agencies such as DoD DISA, DOE NNSA and State of Texas concurrently exploring the CSB landscape to exchange knowledge about their experience and lessons learned.

- ✓ In April 2014, GSA successfully executed the **Cloud Services Broker (CSB) Proof of Concept (POC)** phase thereby marking the completion of the preliminary market research and analysis of the CSB business model(s).

- ✓ **CSB POC phase Duration :** September '13 – March'14

- ✓ The GSA CSB POC phase was conducted in partnership with GSA **cornerstone stakeholders DHS and DHHS**.

✓ **GSA and partner agencies were able to:**

- Gain hands-on experience implementing and operating selected Cloud Services Broker platforms.

- Develop, implement and assess the CSB use-cases and requirements and determine the viability, maturity, and feasibility of a new cloud services broker business model.

- Understand the real difference between Business Brokers and Technical Brokers. This is to better assist agencies in the identification of what they may need, saving time and money.

Learn more about GSA Cloud offerings and services

VISIT:
http://www.gsa.gov/cloud
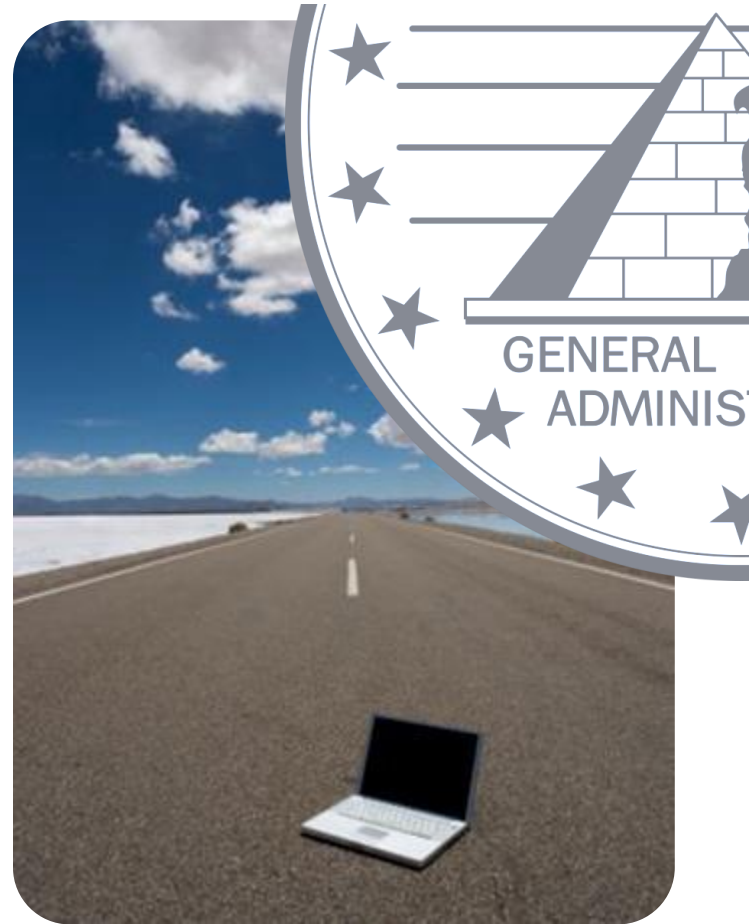
Overview of the USDOL's adoption of Cloud Technology

Dawn Leaf, Deputy Chief Information Officer

U.S. Department of Labor

RFI Overview

Overview of the Key Technical Components of the Request For Information

Lou Ansaldi, Technology Director

Information Technology Support Center

RFI Key Areas of Interests

- Use of Cloud Services to Address Key UI IT Modernization and Sustainment Challenges

- Systematic delivery of Cloud Services through Broker Model

- More comprehensive understanding of specific Cloud capabilities

Technical Scope of Typical UI IT System

- 1 - 3 Millions Lines of Code
- Real Time and Batch Processes
- Thousands of Business Rules
  - Many complex "business rules"
- 15 to 25 Functional "components"
- Shared Services (logging, audit, validation, correspondence, imaging, etc.)
- Composition of many 3rd party products
- 500 to > 1000 Web pages
- 500 to > 1000 tables
- Many external interfaces (> 50)
- Intellectual Property Rights (TEGL 31-04)

UI IT Modernization Key Challenges

- Development
  - Relatively low success rate
  - Until recently, independent, somewhat redundant, individual state development
  - Time to "market"/delivery
  - UI Domain contractor business expertise
  - Sometimes Reliance on "Silver bullet" technologies
  - Data Migration
- Maintenance and Support
  - Sufficient number of skilled personnel
  - Knowledge Transfer de-emphasized during development thereby impeding ability to support the system downstream
  - Retaining expert staff
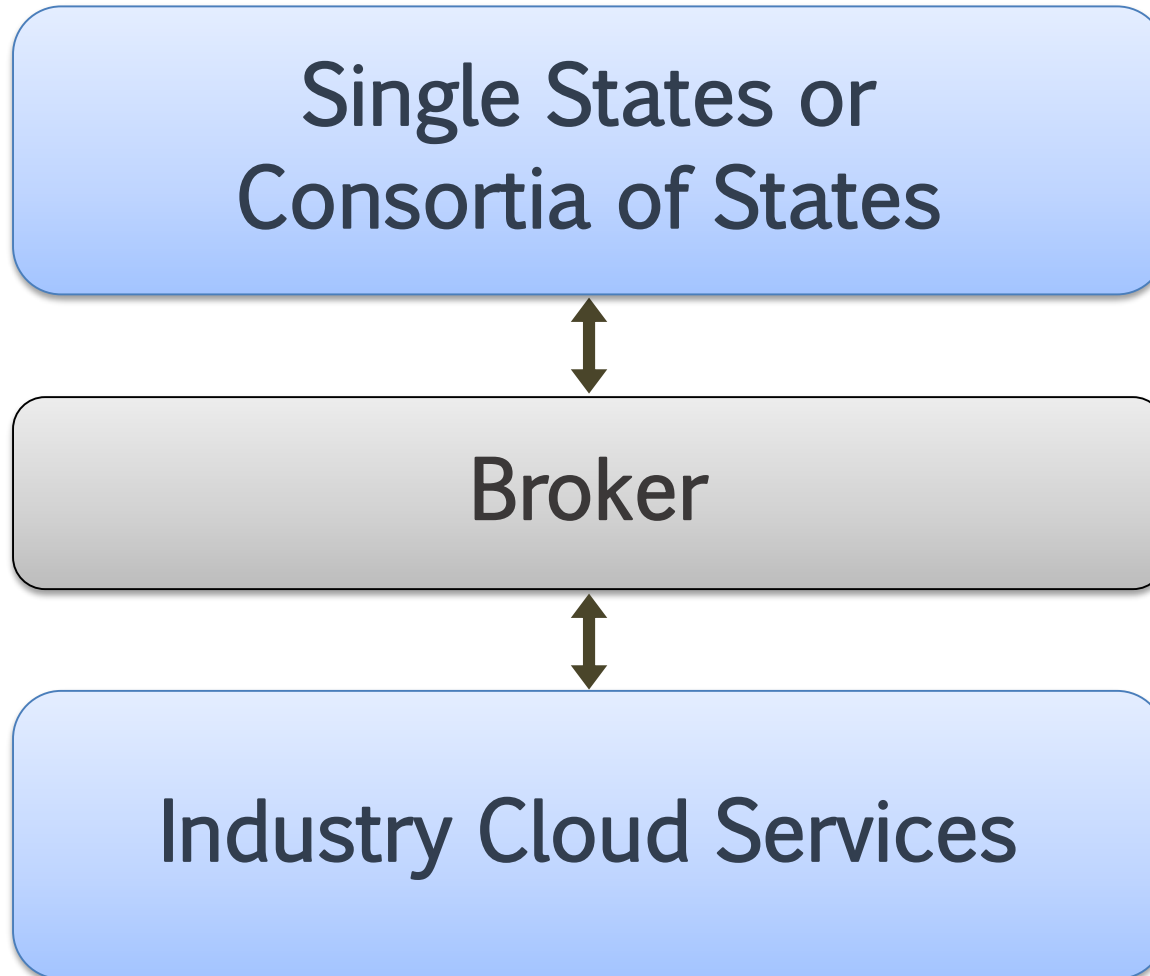 - Technology and 3rd party product obsolescence migrations

UI Community of Cloud Services

- UI Cloud Services model intended to systematically allow UI state agencies to benefit from cloud computing:

  - More efficiently and cost effectively modernize UI IT state Benefits and Tax agency systems

  - Reduce the cost of maintaining and supporting a UI IT single state or multi - state consortium modernized system

  - Promote the graceful evolution of a UI IT system over time, including its underlying technologies

  - Maintain the confidentiality and security of the state data and protecting the identity of the UI customers.
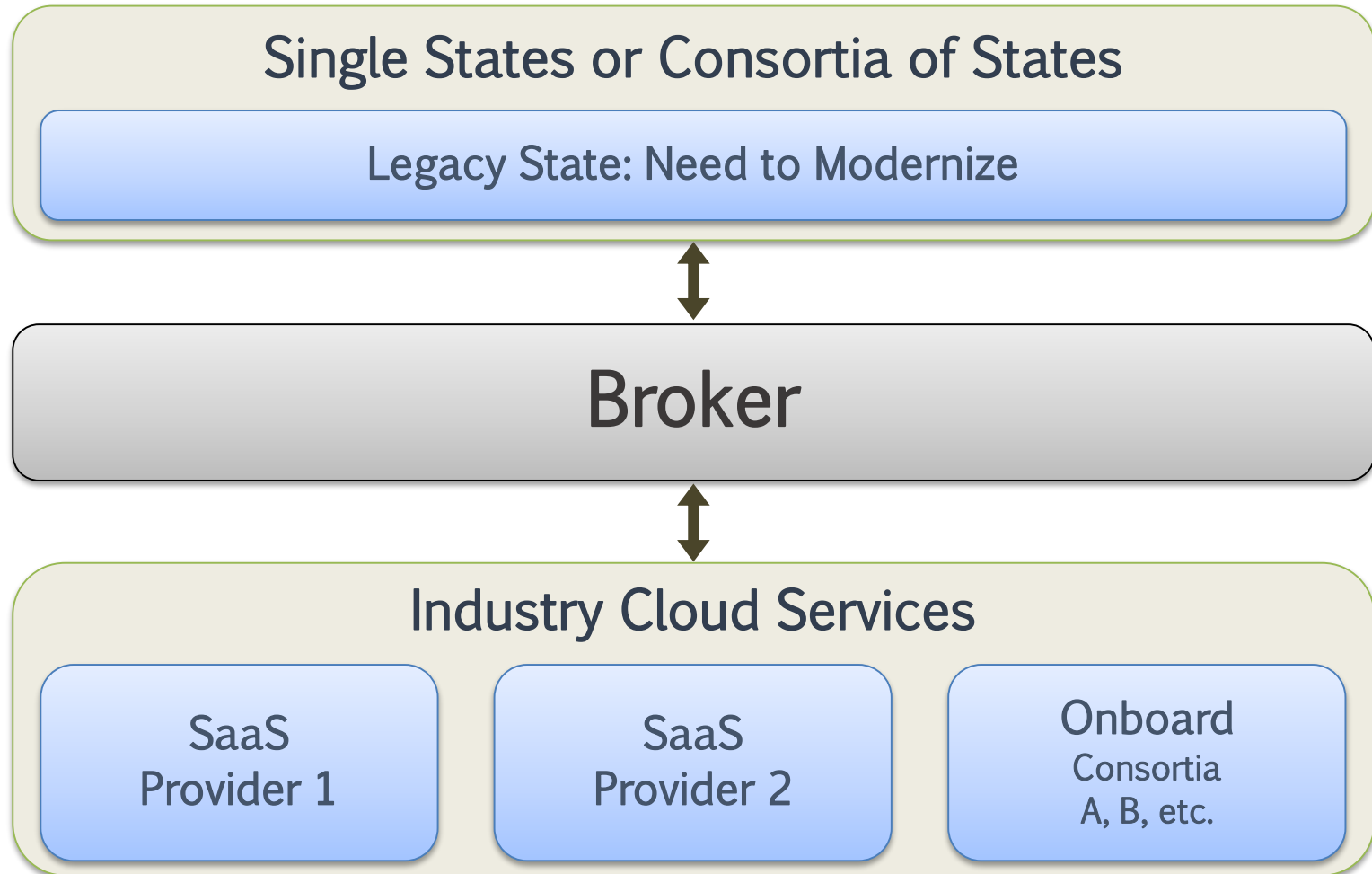
RFI Cloud Broker Concept

- An Entity to provide Broker Services to Consortia and Single States

- Broker Model provides:

  - Access to "Best Fit" Cloud Services from vendors
    - Achieve Faster "time to market" for UI IT system or component services
    - Promote cost-effective, quality services
    - Enable States and Consortiums flexibility and agility among pool of cloud service providers
    - Equitable and unbiased advice

  - Broker acts on behalf of states to liaison and connect states to their appropriate cloud services
    - Cloud service provider responsible for delivery of services

  - Must compliment current UI IT Modernization projects

  - Services may include:
    - IaaS
    - PaaS
    - SaaS
    - Blended, Community Models

UI Cloud Service Model

Single States or
Consortia of States

Broker

Industry Cloud Services

Legacy States that Need Modernization

Single States or Consortia of States

Legacy State: Need to Modernize

$\updownarrow$

Broker

$\updownarrow$

Industry Cloud Services

| SaaS Provider 1 | SaaS Provider 2 | Onboard Consortia A, B, etc. |

Role of Industry in UI Cloud Community

- Do you see yourself participating in this Cloud Community as a provider?

- What cloud service(s) do you think you can fulfill
  - Why, and what are your experiences that demonstrate this

- Detailed description of services offered within SaaS, PaaS, IaaS, Blended, e.g.:
  - Support for multi-tenancy, configurability
  - Use of open source vs. proprietary
  - Roadmaps for services
  - Tools, libraries, products and upgrade approach
  - Provisioning and elasticity of capacity
  - Security
  - Vendor-specific and neutral certifications

Governance

- What are your recommendations for a governance model between the States, the Broker, and Industry?

- What is your recommendation for partnership management among UI Community Cloud providers, and the interactions with the Broker?

- What are your thoughts about the timeframe to implement?

Service Level Agreements

- What are your Standard SLAs
  - Methods of calculating service availability metrics.
  - First Contact and Resolution Response Times
  - Prioritization schema
  - Metric measurement and tracking tools
- The Terms of Service (ToS) related to each service offering.
- Definitions of areas of responsibilities for SLAs and ToS (customer, partner, provider, etc.).
  - RACI type structures
- Scheduled uptime and scheduled maintenance windows, and details on how and when the maintenance is scheduled and communicated to the customer and all relevant parties.

Security Posture and Compliance

- Compliance with Federal Information Security Management Act (FISMA), Privacy Act, National Institute of Standards and Technology (NIST)
  - ➢ Other Security certifications as applicable
- How the solution complies, or will comply, with the FedRAMP certification requirements
- Protection of Personal Identifiable Information (PII)
  - ➢ Encrypt in transit and at rest
  - ➢ Prevent unauthorized disclosure or modification
- Other specifics:
  - ➢ Two-Factor Authentication
  - ➢ Class 3, 4 PKI tokens

Disaster Recovery and COOP

- A detailed description of the Disaster Recovery and COOP capabilities of the service

- A detailed description of the exercises that have been performed to validate the Disaster Recovery and COOP scenarios. What metrics, reports and scheduled tests are available?

Pricing Models

- Cloud Pricing Model – provide your GSA/State rates and include the following:

  - Pricing Plans and Models (Standard/Optional)
  - Bundled Pricing versus Itemized Pricing
  - Unit type and unit of measure
  - One-time costs versus Reoccurring costs Unit type and measure
  - Minimum ordering quantity
  - Applicable volume discounts base

- Cloud Provisioning Model – Describe your provisioning model and ordering constraints to include:

  - Minimum incremental ordering quantities (e.g. per unit, per bundle)
  - Service activation time (ready for use)
  - Payment Schedules (e.g. annual, monthly)
  - Volume discounts – break points based on Quantity
  - Minimum contract performance period and minimum quantity

Potential Proof of Concept(s)

- RFI responses will inform feasibility of Proof of Concept(s), possible candidates:

  - Demonstrating agile onboarding to a cloud SaaS-like UI service

  - Proving the mobility of a UI component between IaaS cloud services

  - Multi-state collaborative of a cloud-based UI component development using PaaS

- Seek ideas from Vendor community too

Panel Discussion

Cloud Technology and State Unemployment Insurance Agencies

Moderator: Joe Vitale

Panelists: Ellen Golombek, Executive Director
Colorado Dept. of Labor and Employment

Dale Smith, Deputy Executive Director
Mississippi Dept. of Employment Security

RFI Questions and Answers

Moderator: Joe Vitale

Respondents: Gay Gilbert

                     Lou Ansaldi

Wrap-Up

Wrap-Up and Adjourn

Joe Vitale and Gay Gilbert

Thank You

Thank you for joining us!

Please visit the below link to view a list of question and answers addressed to today's presentation:

http://www.itsc.org/Pages/cloudRFI.aspx

RFI Due Date: August 22, 2014

Submit Responses to: UICloudRFI@itsc.org