

**STATEMENT OF WORK**  
**FOR**  
**DATA DIGITIZATION FRAMEWORK AND**  
**OPERATING MODEL DEVELOPMENT**  
**SERVICES**  
**for the Chief Technology Office**

*Texas Department of Information Resources*

**KPMG LLP**

**DIR-TSO-2510**

# Department of Information Resources Statement of Work for Data Digitization Framework and Target Operating Model

## 1. Introduction

The terms of deliverables-based information technology services contract DIR-SDD-2510 with KPMG LLP (KPMG), shall apply to this Statement of Work (SOW).

**This SOW outlines the services to be provided by KPMG to provide the Texas Department of Information Resources (DIR) Chief Technology Office (CTO) with a recommended Data Digitization Framework and Target Operating Model, leveraging industry standards and leading practices for its data digitization initiatives. The Data Digitization Framework will be a key toolset in the assessment of current data digitization efforts and maturity levels for agencies and the enterprise.**

## 2. Scope

As DIR continues to advance its data digitization, reporting, and analytics capabilities, it seeks assistance in designing a reference framework that will provide guidance to DIR and the state as a whole as it proceeds with these initiatives. Since sound analytics and reporting depend upon sound data, the first phases of the construction of the framework will focus on establishing a strong data digitization foundation.

This engagement scope is to:

Develop and document a DIR-tailored Data Digitization Framework that will enable DIR to provide documented and consistent guidance to agencies in support of the State Strategic Plan (Digital Services is SSP Strategic Goal #5), and develop and provide a recommended Target Operating Model. The Data Digitization Framework and Target Operating Model will be developed using DIR's Strategic Plan, KPMG's reference digitization framework and target operating model; and industry standards and leading practices. The framework and operating model will consider data digitization functions along the three dimensions of DIR organizational capabilities; processes; and tools and technologies.

## 3. Roles and Responsibilities

### 3.1. Phase A, Task 1

DIR participation and responsibilities for Phase A, Task 1 include:

- Assigning a project coordinator;
- Identifying key stakeholders;
- Participation of key stakeholders in kick-off meeting;
- Reviewing and approving project plan and schedule; and
- Reviewing and approving project deliverables.

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**3.2. Phase A, Task 2**

DIR participation and responsibilities for Phase A, Task 2 include:

- Participating in framework objectives and drivers work session;
- Reviewing and providing feedback on draft framework and operating model;
- Reviewing and providing feedback on updated draft; and
- Approving documented framework and operating model document.

**4. Deliverables**

**4.1. Phase A, Task 1 Project Initiation / Kick Off**

The activities under the Project Initiation / Kick Off are critical to help ensure that KPMG is fully aligned with DIR in critical areas such as the scope, deliverables, objectives, approach, roles and responsibilities, schedule, and reporting. A kick off meeting with stakeholders will assist in aligning project scope and expectations of tasks, personnel, timeline, and deliverables.

Key activities and deliverables for Phase A, Task 1 are:

<b>Work Phase/Task Activity</b>	<b>Deliverables/Work Products</b>
<b>Conduct Project Initiation and Kick Off</b> Construct kick-off presentation and conduct kick-off Confirm goals and objectives Review project objectives, timeline, approach and expectations Update project plan	Deliverable: Kickoff presentation Deliverable: Updated project plan

**4.2. Phase A, Task 2 Recommended Data Digitization Framework and Target Operating Model**

Having confirmed the scope and objectives in Phase A, Task 1 using DIR’s Strategic Plan, KPMG’s detailed reference digitization framework and operating model, and industry standards and leading practices, KPMG will assess DIR’s current data digitization capabilities and provide DIR with options for a customized recommended Data Digitization Framework and Target Operating Model, consisting of recommended DIR organizational capabilities, processes, and supporting tools and technologies.

KPMG will conduct facilitated sessions with DIR stakeholders to walk through the Data Digitization Framework and Target Operating Model options and recommendations and document DIR’s decisions about the elements of the framework DIR chooses to adopt.

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The key activities and deliverables for Phase A, Task 2 include:

<b>Work Phase/Task Activity</b>	<b>Deliverables/Work Products</b>
<p><b>Recommended Data Digitization Framework and Target Operating Model</b></p> <ul style="list-style-type: none"> <li>Review framework objectives and drivers</li> <li>Assess existing digital data capabilities</li> <li>Develop draft framework and target operating model options</li> <li>Review draft with stakeholders</li> <li>Revise based on DIR decisions for DIR approval</li> <li>Update and present report with final recommendation</li> </ul>	<ul style="list-style-type: none"> <li>Work Product: Draft Data Digitization Framework and Target Operating Model</li> <li>Deliverable: DIR-specific Recommended Data Digitization Framework and Target Operating Model including recommended DIR organizational capabilities, processes, and tools and technologies</li> </ul>

**5. Invoices**

Upon acceptance of the Recommended Data Digitization Framework and Target Operating Model by DIR, KPMG will submit an invoice setting forth amounts due to KPMG in accordance with DIR-SDD-2510 requirements.

**6. Pricing**

Pricing schedule:

<b>Item</b>	<b>Price</b>	<b>Estimated Time to Deliver</b>
Recommended Data Digitization Framework and Target Operating Model.	\$49,928	5 weeks from commencement date

**7. Period of Performance**

The period of performance of this SOW is one year from date of execution. The estimated time within which Vendor shall conduct and complete the work associated with both phases of this engagement shall be approximately 5 weeks from the commencement date. The commencement date of the engagement will be agreed upon mutually by DIR and Vendor.

**8. Assumptions and Dependencies**

- 8.1. All deliverables and work products will be provided in electronic form and in Microsoft Office formats (Word, PowerPoint, Excel, Project, Visio, etc.).

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- 8.2. Prior to the start of this engagement, DIR and KPMG will each designate a person to be the single point of contact for all communications regarding the contract and KPMG between DIR and KPMG during the engagement.
- 8.3. DIR will designate a project manager who will be responsible for making management decisions on DIR's behalf.
- 8.4. DIR will make every reasonable effort to make applicable stakeholders and subject matter experts available to KPMG during the engagement.
- 8.5. DIR will coordinate and schedule interactions between KPMG and DIR staff.
- 8.6. DIR will provide timely review of deliverables by KPMG, indicating either acceptance or rejection (with reasons for rejection) within five (5) business days.
- 8.7. DIR will provide resources with appropriate skill sets that are knowledgeable in the organization, process, resources and technology.
- 8.8. DIR shall assist KPMG in collection of all relevant documents and scheduling of interviews and meetings.
- 8.9. DIR will provide an inventory of documentation that are in scope for the assessment.
- 8.10. KPMG will act as an independent contractor in providing the services as set out in this Statement of Work and does not undertake to perform obligations of DIR, whether regulatory or contractual. In performing work hereunder:
- 8.11. KPMG will not act in the capacity equivalent to a member of DIR management or as an employee of DIR.
- 8.12. **Management Decisions.** DIR acknowledges and agrees that KPMG's services may include advice and recommendations; but all decisions in connection with the implementation of such advice and recommendations shall be the responsibility of, and made by DIR. KPMG will not perform management functions or make management decisions for the DIR. KPMG will not form part of the DIR's internal control structure.
- 8.13. **Use of Vendors.** DIR acknowledges that in connection with the performance of services under this SOW, KPMG may use the services of KPMG controlled entities and/or KPMG member firms to complete the services required by this SOW. DIR also acknowledges that in connection with the performance of services under the SOW, KPMG uses vendors within and without the United States to provide at KPMG's direction administrative and clerical services to KPMG. These vendors may in the performance of such services have limited access to information, including but not limited to confidential information, received by KPMG from or at the request or direction of DIR. KPMG represents to DIR that each such vendor has agreed to conditions of confidentiality with respect to DIR's information to the same or similar extent as KPMG has agreed to pursuant this SOW. KPMG will have full responsibility to cause these vendors to comply with such conditions of confidentiality and KPMG shall be responsible for any consequences of their failure to comply. Accordingly, DIR consents to KPMG disclosure to a vendor and the use by such vendor of data and information,

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including but not limited to confidential information, received from or at the request or direction of DIR for the purposes set forth herein.

- 8.14. DIR Vendors and Conflicts.** DIR is aware that KPMG may be providing assurance, tax and/or advisory services to other actual or potential vendors of DIR. KPMG will perform an internal search for any potential client conflicts relating to any of DIR's vendors identified by DIR as having a role in connection with KPMG's performance of this SOW. DIR hereby agrees that a vendor's status as a KPMG client does not impact KPMG's engagement to perform this SOW. KPMG will advise DIR of any conflicts of interest that could prevent it from performing the SOW. However, KPMG is a large firm that is engaged by new clients on a daily basis and as a result it cannot guarantee that, following its conflict search, an engagement for any other related party will not be accepted somewhere else in KPMG's firm. Should any new information come to KPMG's attention, KPMG will promptly inform DIR. KPMG shall perform this Contract in accordance with applicable professional standards.
- 8.15. Limitation of Liability.** Limitation of Liability shall be in accordance with Section K of Appendix A of DIR contract number DIR-SDD-2510.
- 8.16. Active Spreadsheets and Electronic Files.** KPMG may use models, electronic files, and spreadsheets with embedded macros created by KPMG to assist KPMG in providing the services under the SOW. If DIR requests a working copy of any such model, electronic file or spreadsheet, KPMG may, at its discretion, make such item available to DIR for DIR's internal use only and such item shall be considered a deliverable (subject to the requirements herein); provided that DIR is responsible for obtaining the right to use any third party products necessary to use or operate such item.
- 8.17. Electronic Communications.** KPMG may communicate with DIR by electronic mail or otherwise transmit documents in electronic form during the course of this engagement. DIR accepts the inherent risks of these forms of communication (including the security risks of interception of or unauthorized access to such communications, the risks of corruption of such communications and the risks of viruses or other harmful devices). DIR agrees that the final hardcopy version of a document, including a deliverable, or other written communication that KPMG transmits to DIR, shall supersede any previous versions transmitted electronically by KPMG to DIR, unless no such hard copy is transmitted.
- 8.18.** KPMG's services as outlined in this proposal constitute an advisory engagement that shall not result in the issuance of a written communication to third parties by KPMG directly reporting on financial data or internal control or expressing a conclusion or any other form of assurance under the American Institute of Certified Public Accountants ("AICPA") Standards.

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**9. Points of Contact**

All communications must be directed through the following Points of Contact:

**Department of Information Resources**

**Contract-Related Communications**

Sharon Blue, Contract Manager, Enterprise Contracts Management  
Texas Department of Information Resources  
300 W. 15<sup>th</sup> Street, Suite 1300  
Austin, Texas 78701  
Office: (512) 475-4525  
Email: [sharon.blue@dir.texas.gov](mailto:sharon.blue@dir.texas.gov)

**Technology/Project-Related Communications**

John Hoffman, Chief Technology Officer, Chief Technology Office  
Texas Department of Information Resources  
300 W. 15<sup>th</sup> Street, Suite 1300  
Austin, Texas 78701  
Office: (512) 936-2501  
Email: [john.hoffman@dir.texas.gov](mailto:john.hoffman@dir.texas.gov)

**KPMG LLP**

**Engagement and Contract Negotiations Contact**

Charles Collier, Managing Director, KPMG LLP  
One Congress Plaza, 111 Congress Avenue, Suite 1900  
Austin, TX 78701  
Phone: (512) 320-5280  
Fax: (512) 853-2111  
Email: [ccollier@kpmg.com](mailto:ccollier@kpmg.com)

**Administrative Contact (Billing and Administrative Support)**

Michele Gibbens, Engagement Management Coordinator  
One Congress Plaza, 111 Congress Avenue, Suite 1900  
Austin, TX 78701  
Phone: (512) 320-5144  
Fax: (512) 519-8949  
Email: [mgibbens@kpmg.com](mailto:mgibbens@kpmg.com)

This Statement of Work (SOW) is executed to be effective as of the date of last signature below.  
This SOW is submitted under the terms and conditions of the State of Texas DBITS Contract  
DIR-SDD-2510 executed September 3, 2013.

