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Description of document: Statement of Work and Proposal for Bureau of the Fiscal Service (Fiscal Service) Contract 2033H618F00212, Technical Support Services on the Asset Management Distributed Ledger Technology Solution (Blockchain) awarded to Deloitte, 2018

Requested date: 26-November-2018

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Source of document: FOIA Request
US Department of the Treasury
Bureau of the Fiscal Service (Fiscal Service)
Attn: FOIA Disclosure Office/Room 508B
3201 Pennsy Drive, Building E
Landover, MD 20785
Fax: 202-874-5484
[Treasury Online FOIA Request Form](#)

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DEPARTMENT OF THE TREASURY
BUREAU OF THE FISCAL SERVICE
WASHINGTON, DC 20227

January 31, 2019

RE: FOIA #2018-11-125

Sent via email

This is in response to your Freedom of Information Act (FOIA) request that was received in our office on November 26, 2018, seeking: "A copy of the Statement of Work and a copy of the Successful Offeror Proposal from Bureau of Fiscal Services Contract 2033H618F00212 awarded to Deloitte."

We have completed a search and located 12 pages (Statement of Work) which is being released in full, and 32 pages (Proposal) which is being released but has been heavily redacted. The sensitive information of the proposal has been withheld under FOIA Exemptions b4 (pdf pages 1-3, 5-28) and b6 (pdf pages 2-3, 5-7, 24-25, 29-32). Exemption 4 of the FOIA protects "trade secrets and commercial or financial information obtained from a person [that is] privileged or confidential." Exemption 6 protects information about individuals in "personnel and medical files and similar files" when the disclosure of such information "would constitute a clearly unwarranted invasion of personal privacy."

If you consider this response to be a partial denial of your FOIA request, you have the right to administratively appeal the partial denial within 90 days from the date of this letter. Your appeal must be in writing, must be signed by you, and should contain the reason(s) why you are appealing. Your appeal should be addressed to:

U.S. Department of the Treasury
Bureau of the Fiscal Service
FOIA APPEAL
Attn: FOIA Disclosure Office/Room 508B
3201 Pennsy Drive, Building E
Landover, MD 20785

Both your letter and its envelope should be clearly marked "Freedom of Information Act Appeal." The deciding official on your appeal will be the Fiscal Service Commissioner or her designee. Please include your FOIA identification number on all related correspondence.

Sincerely,

A handwritten signature in black ink that reads "Denise Nelson". The signature is written in a cursive, flowing style.

Denise Nelson
Co-Disclosure Officer

Enclosure
cc: FOIA Files

**PERFORMANCE WORK STATEMENT
USING DISTRIBUTED LEDGER TECHNOLOGY TO
TRACK AND MANAGE DIGITAL AND PHYSICAL ASSETS
U.S. TREASURY, BUREAU OF THE FISCAL SERVICE
BPA CALL 2033H618F00212 / TFSAFSABPA17008**

1.0 OVERVIEW & BACKGROUND

The Bureau of the Fiscal Service (Fiscal Service), Office of Financial Innovation and Transformation (FIT), identifies and facilitates the implementation of innovative solutions that improve the way the Fiscal Service and other Federal agencies manage the Federal government's finances.

In early 2018, FIT completed a proof of concept using distributed ledger technology to track and manage physical assets such as cell phones and laptops—a solution that if implemented across the Fiscal Service and across the government could create efficiencies.

The Federal government experiences a similar issue in managing digital assets such as software licenses. The Government Accountability Office (GAO) released a report in 2014 stating the vast majority of agencies do not have adequate policies [or practices] for managing software licenses.¹ GAO went on to deliver 136 recommendations to agencies in the report suggesting agencies do things such as, “establish a comprehensive inventory of software licenses using automated tools...” and “analyze agency-wide software license data, such as costs, benefits, usage, and trending data, to identify opportunities to reduce costs and better inform investment decision making.” Four years after the release of the GAO report, many Federal agencies continue to struggle with maintaining an accurate inventory of software licenses and the amount of money being spent to support the licensing fees that may not even be needed. Inaccurate inventories cause agencies to overspend on new or existing licenses and software that is not being used.

Now that we have built a foundational understanding for how DLT technically works through developing a working prototype² for physical assets, the logical next steps for testing the technology in the Federal government is to: 1) Gain a deeper understanding of the costs, benefits, risks and challenges associated with using a DLT solution in a real, Federal technical environment by carrying out a pilot project within the Fiscal Service, and 2) Explore, through a proof of concept, reusing FIT's physical asset management working prototype for a similar use case to track and manage digital assets (i.e., software licenses) on a distributed ledger network that spans several Federal agencies.

2.0 Objective/Scope of Work

The purpose of this performance work statement (PWS) is to outline FIT's requirements for conducting a pilot within the Fiscal Service to test the DLT solution in a Federal environment and for conducting a proof of concept using DLT to track and manage digital assets.

¹ GAO-14-413 Federal Software Licenses: Better Management Needed to Achieve Significant Savings Government-Wide

² From here forward, “working prototype” refers to three separate products: Mobile app (for users to transfer assets and view their assigned asset inventory; Web app (for management viewing real-time inventory statistics and transaction histories; and blockchain (for recording the entire transactional history and for deploying smart contracts).

Objective 1- Conduct a pilot³ project using FIT's DLT solution to actively track, transfer, and manage physical assets (i.e., Fiscal Service cell phones). The pilot is an extension of the proof of concept FIT completed in early 2018 and is being conducted to gain a better understanding of 1) the DLT solution technology stack and how it would interact with Treasury systems, most notably, Fiscal Service's asset management system; 2) the extent to which a DLT solution can improve the effectiveness, efficiency, and internal controls (e.g., reliable reporting and compliance with applicable laws, regulations and Department policies) related to managing and tracking physical assets. Additionally, the pilot is being conducted with a specific focus on identifying, understanding, and documenting challenges that may be unique to moving a DLT solution into production (IT governance, security, integration with existing systems, etc.).

In order to carry out a pilot project in Fiscal Service's technical environment, a proposal outlining the project is required to advance through Fiscal Service's governance process for approval (Investment Review Board (IRB) and Technical Architecture Review Board (TARB)) as well as detailed security assessments that are necessary for moving software into a piloting environment. As part of this work, the Contractor shall support FIT in navigating the governance process by completing the required artifacts necessary to move our working prototype into Fiscal Service's technical environment for conducting pilot projects (e.g., governance documents, DLT solution technical diagrams, presentations, briefings).

In the event that the DLT working prototype is approved and is allowed to operate within a Fiscal Service technical environment appropriate for conducting pilot testing, the Contractor will support FIT with carrying out pilot testing assessing the degree to which the working prototype impacts the effectiveness, efficiency and internal controls for managing and tracking physical assets.

Specific Government personnel participation will be provided (e.g., access to IT personnel) to support the pilot project and will be available for scheduled meetings and work sessions as needed. The DLT solution that was developed during the proof of concept shall be used to conduct this pilot within the Fiscal Service. A small sub-set of Fiscal Service employees will participate in the testing phase (Option 2 of the contract) and shall consist of non-bargaining unit employees only.

Objective 2- Conduct a proof of concept⁴ to assess how, by expanding upon and reusing the physical asset management working prototype (developed under a previous contract), distributed ledger technology could be used: 1) as a digital asset registry and inventory system; 2) for real-time awareness of asset ownership, 3) for the seamless transfer of assets to another party (within the confines of the current Federal software licensing agreements), and 4) for tracking the utilization of the assets in order to optimize usage of the software licenses. The proof of concept shall determine the costs and benefits of using DLT for tracking, managing, and transferring digital assets. Additionally, this proof of concept shall provide an understanding for how a DLT solution could be architected to serve multiple agencies (i.e., more than one agency use the application). The proof of concept is not a pilot and will not result in a production-ready deployable system, meaning the DLT solution will not be integrated with any Federal system(s) nor will there be any transfer of Federal data during the period of performance of the award. The proof of concept shall assess the effectiveness of using DLT as a solution to register, track, and manage digital assets by using contractor-issued equipment and software licenses.

³ Fiscal Service defines a pilot as "a short-term, small-scale experimental trial of an IT capability in a production environment for evaluation and testing purposes prior to making the decision to implement on a larger scale."

⁴ Fiscal Service defines Proof of Concept as an effort for "determining the viability of an IT product or service to solve a business problem. IT proof of concepts are installed in a non-production environment."

To gain a better understanding for how a decentralized application could serve multiple agencies, an advisory board, made up of cabinet level agencies, will provide subject matter expertise and guidance throughout the development and testing of the working prototype. Government personnel participation will be provided to support the development of the working prototype and the designated personnel (e.g., business and technical, information technology, and Government User Experience subject matter experts) will be available for scheduled meetings and work sessions.

3.0 Tasks & Deliverables

STAGE 1- PROJECT MANAGEMENT

Primary Task 1—The Contractor shall coordinate weekly with the assigned Fiscal Service Contracting Officer Representative (COR) to meet with the Government project team and provide weekly status reports and an updated project work plan (i.e., updated project plan tracking completion of tasks). The project plan shall be used as the method for scheduling activities and deliverables. Additionally, the Contractor shall engage in progress/findings discussions with FIT and agency stakeholders detailing the progress of the proof of concept which could include lessons learned, issues, concerns, etc. discovered throughout the period of performance.

Primary Deliverable 1—Project Management

Within one week of contract award, the Contractor shall provide a project plan with a description of the proof of concept approach, deliverable/task schedule, and contractor resources allocated to each task. The project plan shall be delivered to FIT using Microsoft Project version 10 or higher. The project plan shall be updated on a weekly basis and shall be presented to the Government project team via a weekly status report meeting throughout the period of performance. Additionally, the Contractor shall be in attendance for all meetings, conferences, presentations, etc. at the direction of the COR. Meetings, conferences, presentations, etc. will be held in person, by conference call, or by web conference. The venue will be specified by the COR as meetings are scheduled.

STAGE 2- PILOT PHYSICAL ASSET DLT WORKING PROTOTYPE WITHIN FISCAL SERVICE

Primary Task 1—Technical Environment Set-up Support

The Contractor shall provide business knowledge and technical support to FIT as they partner with Fiscal Service IT to set up a technical environment to test a DLT solution. The technical environment that is to be established for the pilot will be in a test region, not a production region. The DLT solution (working prototype) that is to be analyzed was previously developed through another task order. The Contractor shall work with the Government to understand if the previously developed solution (see Attachment B Technical Architecture Slides) is usable, or compatible, with the current Fiscal Service technical environment and IT policies. If it's not compatible, the Contractor shall document where the solution is incompatible with Fiscal Service's technical environment and provide alternative solutions in order to carry out the pilot project. As part of setting up a technical environment within the Fiscal Service, decisions will go through a governance process and a security review. The Contractor shall provide the Government with technical support which could include creating diagrams and presentations that will be used as conversational or decisional documents throughout the governance process and security review. The diagrams and presentations will include things such as the description of the technical environment, data elements that will be used, how data exchanges will occur within the blockchain solution, how the blockchain will interact and exchange data with legacy Fiscal Service systems and databases, etc.

Primary Deliverable 1—Briefing Materials and Supporting Documents

As part of this task, FIT is required to provide briefings to IT, the IRB, and the TARB in order to obtain approvals for moving forward through the pilot project. The Contractor shall provide the appropriate supporting materials (diagrams, presentations, business case templates (Attachment C DLT Business Case Templates), questionnaires, security information, etc.) to support the decisional briefings as well as any working meetings with FIT and IT. The Contractor shall be present at the decisional briefings and working meetings as directed by the COR.

Primary Task 2—Execute Testing Phase and Perform Analysis (Optional Task)

Once a technical environment has been established and the DLT working prototype is operational within a pilot environment, the Contractor shall initiate a testing phase, consisting of test scripts and scenarios developed by the Contractor, lasting no more than 2 months using the DLT solution to register, track, and manage cell phone inventory at the Fiscal Service. The testing phase includes working with Fiscal Service IT to load software onto a small number of Fiscal Service cell phones (no more than 30). If the cell phones are in an “active” state, they must be registered to a non-bargaining unit employee (i.e., not affected by Union policies). As part of primary task 1, the Contractor shall develop testing scenarios and performance metrics in order to communicate the results of the pilot. If previously developed process maps, technical architecture diagrams or data exchange diagrams are affected as a result of the testing phase, they shall be updated. The Contractor should have an understanding of the current HP Asset Management System in place at the Fiscal Service and associated costs in order to compare the current system with the DLT solution and subsequent pilot results.

Primary Deliverable 1- Pilot Results and Findings

Primary deliverable 1 shall be a pilot results and findings briefing, including supporting documentation, which shall include the following:

- Description of the pilot objectives and the degree to which the objectives of the pilot were achieved and carried out
- Description of the test case(s), test scenarios executed throughout the pilot, and the results of the test scenarios
- Updated process maps or technical architecture diagram(s) (developed during Stage 2 of the award) as needed
- Description of the metrics used to evaluate the performance of the DLT solution and the performance metric results achieved
- Lessons Learned

Primary Deliverable 2- Business Case

The Contractor shall deliver a business case detailing the cost benefit analysis (DME and/or O&M costs associated with the DLT solution if implemented at the Fiscal Service), associated benefits both internal and external to the Fiscal Service, high-level risks, productivity and revenue enhancements, and a brief comparison to other solution alternatives (i.e., current physical asset management system in place at the Fiscal Service).

Primary Deliverable 3- Implementation Roadmap

At the conclusion of the pilot, the Contractor shall provide a roadmap detailing the recommended next steps to take (e.g., policies and procedures, bargaining unit considerations, additional technology considerations that may be needed) if the Fiscal Service decides to fully implement the DLT solution. The roadmap shall include a high-level timeline and milestones.

STAGE 3- PROOF OF CONCEPT USING DLT TO TRACK, MANAGE, & TRANSFER SOFTWARE LICENSES

Primary Task 1—The purpose of this proof of concept is for the Contractor to provide the technical and business expertise to develop and demonstrate a working prototype of DLT that is used to create the initial inventory of software licenses being used in the Federal government. The Contractor shall demonstrate how digital assets can be tokenized and registered on a private DLT platform for the purposes of inventory, monitoring, and tracking. The Contractors shall develop the working prototype, to the extent feasible, by reusing the technical stack and DLT solution (i.e., mobile app, web app, and blockchain) created for the physical asset management DLT solution (see attachment B).

The working prototype shall also include the capability to manage and transfer software licenses between parties without an intermediary. The transfer of licenses can be intra- or inter-agency transfers; however, the working prototype shall have the capability to partition off each agency's software licenses on the distributed ledger. The culmination of Primary Task 1 also includes a final demonstration and results briefing of the working prototype as described below in Primary Deliverable 1.

Subtask 1-Document and evaluate the current/as-is process and high-level costs for tracking and managing digital assets in addition to capturing stakeholder challenges and "friction" points.

Subtask 2- Demonstrate how digital assets can be tokenized and registered on a private DLT platform for the purposes of inventory, monitoring, and tracking

Subtask 3- Demonstrate how digital assets can be tracked and monitored, including license utilization, on a private DLT ecosystem that spans several Federal agencies in real-time

Subtask 4- Demonstrate how, through the use of smart contracts, inventory efforts can be automated and license management can be optimized

Subtask 5- Understand the degree to which a DLT solution could/could not streamline existing processes related to managing digital assets

Subtask 6- Demonstrate how physical assets can be transferred between two parties (intra- or inter-agency transfers) within a private DLT ecosystem without the need for an intermediary to validate the transaction

Subtask 7- Demonstrate how multiple agencies can "share" a DLT solution to track and manage digital assets without sharing each other's data (i.e., demonstrate how information can be partitioned off on the blockchain and defined by user role)

Subtask 8- Demonstrate how a DLT solution can provide real-time acknowledgement of digital asset transfers

Subtask 9- Understand the degree to which policies, procedures, governance and oversight may need to change or evolve if the DLT solution were to be implemented

Subtask 10- Understand the DLT solution architecture for DLT applications (such as this working prototype) that multiple agencies can use (e.g., node set-up and structure, governance)

Primary Deliverable 1- The primary final deliverable shall be a demonstration of the working prototype showing the capabilities of the DLT solution compared to the current process and shall include a results briefing to the Government that includes the following:

- Description of the proof of concept scope and objectives and the degree to which they were carried out and achieved including a description of the test scenarios exercised and test results
- On-site demonstration of the working prototype proving the capabilities of the solution to track, manage, and transfer software licenses

- Current state and future state process maps
- Analysis of the IT infrastructure if the proof of concept were to move to a pilot phase (e.g., technical architecture diagram(s), IT roadmap for implementation, etc.)
- Findings and conclusions (including a high-level comparative analysis for using a distributed approach (distributed ledger technology) vs. a centralized approach (central database), the rationale for choosing the DLT platform, protocol, wallet software, etc. used for the proof of concept)
- Lessons Learned
- Recommended next steps, including how this proof of concept could move into a pilot phase, how the Government should scale the application to include other Federal agencies, and a high-level roadmap if this proof of concept were to go into implementation
- High-level cost comparison (i.e., major categories of cost) of the current state and future state if the DLT solution were deployed in a production environment

Primary Deliverable 2-Communication Materials & Website Content

The Contractor shall provide materials that enable FIT to share the working prototype (e.g., the mobile app, web app, and blockchain software code used for the digital asset proof of concept and physical asset proof of concept), proof of concept results, and education materials to the broader Federal community. The delivery of communication materials and website shall include the following:

- A plan for sharing the DLT solution and code with other agencies via open-source sites (e.g., Github) or via other public sharing mechanisms.
- Written instructions to publish online explaining how to use the published code that will allow users with little to no blockchain experience to use the published code
- No more than two animated or informational videos of the working prototypes (physical asset and digital asset solutions) that can be shared publicly on a website and used for educational purposes. Videos shall be no more than 2 minutes in length.
- Informational “one-or-two pagers” formatted for web publication describing the proof of concept and learnings/findings obtained throughout the project

The table below outlines the deliverables and delivery schedule for the Base Award and Optional Task 1:

Contract Phase	Deliverable	Task Alignment	Schedule	Type
Base Award & Optional Task 1	Project Management Plan	Stage 1 Primary Task 1 Primary Deliverable 1	Within 1 week of contract kick-off and updated and submitted weekly	Formal and continuously updated as required
Base Award	Pilot Briefing Materials & Supporting Documents	Stage 2 Primary Task 1 Primary Deliverable 1	Varies; deadlines will be established as needed throughout the first 8 months of the contract	Formal
Base Award	Digital Asset DLT Working Prototype Results and Final Demonstration	Stage 3 Primary Task 1 Primary Deliverable 1	8 months after contract kick-off	Formal

Base Award	Communication Materials & Website Content	Stage 3 Primary Task 1 Primary Deliverable 2	Varies; deadlines will be established as needed throughout the first 8 months of the contract	Formal
Optional Task 1	Physical Asset Pilot Results & Findings	Stage 2 Primary Task 2 Primary Deliverable 1	At the conclusion of the period of performance for Optional Task 1	Formal
Optional Task 1	Physical Asset Pilot Business Case	Stage 2 Primary Task 2 Primary Deliverable 2	At the conclusion of the period of performance for Optional Task 1	Formal
Optional Task 1	Physical Asset Pilot Implementation Roadmap	Stage 2 Primary Task 2 Primary Deliverable 3	At the conclusion of the period of performance for Optional Task 1	Formal

4.0 PLACE OF PERFORMANCE

All work performed under this PWS by the Contractor shall be performed at the Contractor's facilities, unless otherwise directed by the COR. The Contractor shall be present at the Government's site for meetings, conferences, presentations, etc., as directed by the COR. Work performed at the Government site shall be performed at the following Government facility:

Bureau of the Fiscal Service
401 14th Street SW
Washington, DC 20027

One trip to Parkersburg, WV, not to exceed 5 business days, may be needed during the period of performance and will be determined by the COR. Any and all travel will be paid at actuals according to per diem rates. If travel occurs, work performed at the Government site shall be performed at the following Government facility:

Bureau of the Fiscal Service
320 Avery Street
Parkersburg, WV 26101

5.0 PERIOD OF PERFORMANCE

The period of performance for the Base Award is 06/18/2018 through 02/17/2019.

The period of performance for the Optional Task, if exercised, will be determined based on receiving approval from the Fiscal Service Investment Review Board (IRB) and Technical Architecture Review Board (TARB) and the availability of the testing environment for the physical asset management DLT solution. If required, the optional task shall be exercised earlier than the completion of the Base Award.

The ultimate period of performance for the Base Award and Optional task is 06/18/2018 through 06/17/2019.

6.0 ACQUISITION TYPE

This is a Firm Fixed Price (FFP) award for the Base Award and Optional Task.

7.0 KEY PERSONNEL CONTACT(S) & QUALIFICATIONS

The Contractor shall provide qualified and skilled personnel to perform the services under this requirement. The Contractor shall submit resumes for proposed personnel. Resumes shall demonstrate the individuals' qualifications and capabilities to perform the required tasks.

Certain skilled experienced professional and/or technical personnel are essential for successful contractor accomplishment of the work to be performed. These are defined as "Key Personnel." Key Personnel shall be fluent in the English language. Key Personnel shall be knowledgeable of DLT and shall be able to demonstrate experience using DLT, to include projects in similar size, scope (i.e., asset management, supply chain management), and complexity. Key Personnel shall have experience with developing or using an Ethereum DLT solution for tracking and managing physical assets. The proposed project manager shall possess the Project Management Professional (PMP) certification issued by the Project Management Institute.

The Contractor identified all Key Personnel in BPA Call Volume 1 Technical Proposal, Section 2.0 Key Personnel Experience and Capabilities.

8.0 KEY PERSONNEL REPLACEMENT PROCESS

Key personnel may, with the consent of the contracting parties, be amended from time to time during the course of the contract to add or remove key personnel. A formal modification is only required when the key personnel are specifically named in the contract. This process only applies to the extent that the contract does not otherwise specify notice or personnel replacement obligations.

Government Request

The Government may require replacement of key personnel in the instance of non-performance, misconduct, or alleged misconduct whose continued use under a contract is contrary to the best interests of the Government. Circumstances that support a request for replacement include but are not limited to performance that is inconsistent with the contract performance work statement (PWS), terms and conditions, or violations of Federal laws, regulations, or agency conduct standards. The Contracting

Officer's Representative (COR) will give written notice to the Contractor of the need for substitution, including the circumstances surrounding the request for replacement. In accordance with FAR Part

1.602-2(b), the Contracting Officer (CO) will ensure the Contractor receives impartial, fair, and equitable treatment; however, the CO is not required to investigate or validate allegations or wait until a final resolution of the circumstances surrounding the request for replacement before requiring substitution of key personnel.

Within twenty four (24) hours of receiving notice, the Contractor shall respond to the Government's request to replace key personnel and provide key personnel replacement resume(s) to the COR(s). The resume(s) shall demonstrate that the qualifications of proposed replacement key personnel meet the qualifications stated in the PWS. The COR will notify the Contractor, in writing, within forty-eight (48) hours of receiving key personnel replacement resume(s) if the Contractor provided replacement personnel is acceptable. The Government reserves the right to disapprove the proposed substitute(s) and negotiate with the Contractor for other key personnel replacement(s). Any Contractor replacement of key personnel must be done in consultation with the COR. The process for replacing key personnel as

described above does not suspend the Contractor's obligation to continue performance under the contract.

Contractor Request

If the Contractor must substitute key personnel, the Contractor shall provide written notice to the COR and the CO two (2) calendar weeks before the proposed replacement date, whenever possible. At a minimum, the Contractor shall provide the Government with notice forty-eight (48) hours before replacement. The only exception to the forty-eight (48) hour notice is death, incapacitation, abrupt termination, or resignation from employment of key personnel where the Contractor's notice was less than forty-eight (48) hours. If the deadline for providing notice falls on Friday after 5:00 pm, a weekend, or on a Federal Holiday, the Contractor shall provide notice the next business day if more than forty-eight (48) hours. The notice shall state the circumstances necessitating the proposed substitution of the key personnel and shall provide resume(s) of proposed replacement key personnel for review and consultation. The Contractor shall demonstrate that the qualifications of the proposed substitute(s) meet the qualifications stated in the PWS. The Government reserves the right to disapprove the proposed substitute(s) and negotiate with the Contractor for other key personnel replacement(s). Assignment of key personnel must be done in consultation with the COR.

9.0 OTHER REQUIREMENTS

Building Access and Suitability Clearance

Upon award of the contract, and prior to the contractor or subcontractor personnel performing any

services for the first time at Fiscal Service premises as listed in *Section 4.0 – Place of Performance*, the contractor shall present those personnel to the COR and follow the COR's instructions regarding building access and security requirements. See *Attachment A – Security Requirements* for details.

Compliance with Government Laws, Rules, and Regulations

While the contractor's personnel are at the Government facility, the contractor is responsible for compliance with all laws, rules, and regulations governing conduct with respect to health and safety – not only as they relate to its employees and agents, but also to other personnel who are government employees or agents of the government and to property at the site regardless of ownership. While on government premises and in possession of government property, the contractor is responsible for such property and any damages thereto.

Confidentiality

The contractor recognizes that, in performing under this order, the contractor may obtain access to nonpublic information that is confidential or proprietary in nature. Except as permitted by the order, the contractor agrees that it, its employees, its subcontractors, and its subcontract employees shall not disclose to any third party, or otherwise use, any information it obtains or prepares in the course of performance of this agreement for any purpose other than to perform work under the order without first receiving written permission from the contracting officer (CO). The contractor shall secure information received from or prepared or gathered for the Treasury Department under this order in a secure location with access limited to only those personnel with a "need to know." If disclosure of information is required by law or legal process, the contractor shall contact the COR and the CO immediately to receive approval prior to release of any information. Notwithstanding any other language contained herein, the contractor shall comply with 31 CFR § 31.217 (Regarding 31 CFR §31.217, this is not a TARP covered project; however, FAS requires that nonpublic information be secured as stated in 31 CFR § 31.217. The only difference is that if information is inadvertently released, the contractor shall contact the COR and CO

listed in the order and not contact TARP personnel). The contractor personnel performing services under this order shall comply and complete the security requirements listed in *Attachment A – Security Requirements* at least two weeks before start date of the order performance or performing work under this order.

Non-Personal Services Statement

Contractor employees performing services shall be controlled, directed and supervised at all times by management personnel of the contractor. Contractor employees shall perform independent of and without the supervision of any Government official with the exception of when they are on-site at the government's facility. Actions of contractor employees may not be interpreted or implemented in any manner that results in any contractor employee creating or modifying Federal policy, obligating the appropriated funds of the U.S. Government, overseeing the work of Federal employees, providing direct personal services to any Federal employee or otherwise violating the prohibitions set forth in Parts 7.5 and 37.1 of the Federal Acquisition Regulation (FAR).

Conduct

The contractor, although in fact not a Government employee, shall comply with Executive Order 11222, May 8, 1965, "Prescribing Standards of Ethical Conduct for Government Officers and Employees," and shall also comply with Fiscal Service regulations implementing this Executive Order. Additionally, the contractor shall comply with all safety practices, vehicle registration, speed limits and any other Fiscal Service regulations and policy applicable to conduct standard. Contractor personnel driving a motor vehicle on Fiscal Service property cannot use a cell phone unless the vehicle is safely parked or the driver is using a hands-free device. Additionally:

1. The contractor shall maintain satisfactory standards of the employee competency, conduct, appearance, and integrity.
2. The contractor shall take appropriate disciplinary action against his/her employees when necessary.
3. Each contractor employee is expected to adhere to standards of conduct that reflects credit on themselves, their employer and the Government.
4. The Government reserves the right to direct the contractor to remove an employee from the work site for failure to comply with the standards of conduct.
5. The contractor shall initiate immediate action within 48 hours to replace a removed employee to maintain continuity of services at no additional cost to the Government.

10.0 CONTRACTING OFFICER AUTHORITY

In no event shall any understanding or agreement between the contractor and any Government employee other than the CO on any order modifications, change orders, letter or verbal direction to the contractor be effective or binding upon the Government. All such actions shall be formalized by the proper contractual document executed by the appointed CO. The contractor is hereby put on notice that if a Government employee other than the CO directs a change in the work to be performed or increases the scope of work to be performed, it is the contractor's responsibility to make inquiry of the CO before

making the deviation. Payments will not be made without being authorized by the appointed CO with the legal authority to bind the Government.

11.0 FEDERAL HOLIDAYS

Fiscal Service observes the Federal holidays that are listed below and on the Office of Personnel Management website at <https://www.opm.gov/policy-data-oversight/pay-leave/pay-administration/fact-sheets/holidays-work-schedules-and-pay/>. Except as specified by the CO, services shall not be required on the following Federal holidays:

New Year's Day, January 1
Inauguration Day (Washington, DC only), January 20
Martin Luther King's birthday, third Monday in February
President's Day, last Monday in May
Independence Day, July 4
Labor Day, first Monday in September
Columbus Day, second Monday in October
Veterans' Day, November 11
Thanksgiving Day, fourth Thursday in November
Christmas Day, December 25

Holidays falling on Saturdays are observed on Friday proceeding the holiday, while those falling on Sundays are observed on the Monday following the holiday. Holidays shall also include any additional day(s) granted by executive order.

12.0 QUALITY CONTROL PLAN

The contractor shall establish a complete quality control plan, or QCP, for this contract. The QCP shall be maintained by the contractor to ensure that the requirements of the contract are met as specified in the

Quality Assurance Surveillance Plan described below.

13.0 QUALITY ASSURANCE SURVEILLANCE PLAN

The purpose of the quality assurance surveillance plan, or QASP, is to ensure that reliable, uninterrupted services are provided in accordance with the PWS. This plan will also ensure acceptable performance and assist in avoiding unnecessary mistakes and/or delays.

During contract performance, the COR will summarize and document the contractor's service and delivery performance utilizing the following performance categories and standards:

Completeness - Tasks and deliverables described in Section 3.0 were 100% completed by the contractor.

Effectiveness - Tasks and deliverables provided by the contractor were 100% effective toward contributing to the overall success of the project.

Timeliness - Tasks and deliverables were 100% completed within the agreed-upon schedule and specified periods of performance.

Communication - Communication with the Government was 100% professional.

Surveillance method: random evaluation. This method employs a “spot check” style of evaluation and may be adjusted based on quality trends. The Government retains the right to inspect all requirements of the order.

Incentives/Disincentives

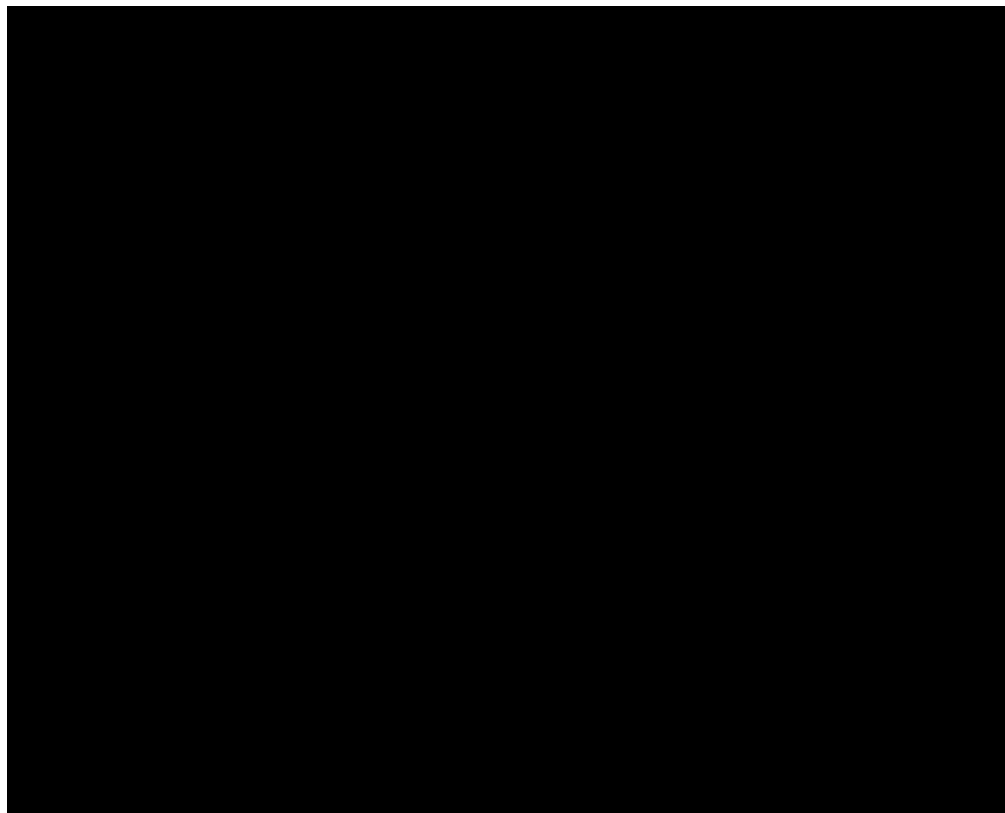
Incentive: If the contractor performs the tasks and deliverables in accordance with the performance standards described above, then satisfactory comments/ratings will be documented on the contractor’s past performance.

Disincentive: If the contractor does not perform the tasks and deliverables in accordance with the performance standards described above, then unsatisfactory comments/ratings will be documented on the contractor’s past performance.

Performance issues: If the Government evaluations identify unacceptable performance in any of above categories, the COR will record it and notify the contractor within three (3) business days. The contractor will be required to initial the observation. Initialing of the observation does not constitute contractor concurrence with the observation; it only indicates acknowledgement that the contractor has been made aware of a potential performance issue(s). The contractor shall meet with the Government for developing and implementing a plan to correct any performance issue(s) at no additional cost to the Government. If the contractor does not agree with correcting the unacceptable performance issue(s) within the time specified by the Government, then the COR will notify the administrative contracting officer, or ACO, who will take the appropriate administrative action for unacceptable performance.

14.0 SECURITY REQUIREMENTS

The contractor personnel performing services under this order shall comply with all of the security requirements listed in *Attachment A – Security Requirements*.



*Transforming Financial Management through
a pragmatic implementation of Blockchain*

Bureau of the Fiscal Service

Technical Support Services on the Asset Management Distributed Ledger Technology Solution

Volume I – Written Technical Proposal

June 5, 2018

Submitted By:

Deloitte Consulting LLP | 1919 North Lynn Street | Arlington, VA 22209

Bureau of the Fiscal Service

Office of Financial Innovation and Transformation (FIT)

Technical Support Services on the Asset Management Distributed Ledger Technology Solution

BPA Call Proposal Request FSA-5000000-18-0003

Volume I – Written Technical Proposal

June 5, 2018

Submitted by:

Deloitte Consulting LLP

1919 North Lynn Street

Arlington, VA 22209

DUNS: [REDACTED]

Cage: [REDACTED]

**Technical POC and
Authorized Negotiator:**

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Contracts POC:

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Submitted To:

Alan Dotson, Contracting Officer

Attn: Lorraine Smicker, Contract Specialist

Bureau of the Fiscal Service

200 Third Street, Avery 5F

Parkersburg, WV 26101

Email: Lorraine.Smicker@fiscal.treasury.gov

This proposal or quotation includes data that shall not be disclosed outside of the Government and shall not be duplicated, used, or disclosed in whole or in part for any purpose other than to evaluate this proposal or quotation. If, however, a contract is awarded to this Offeror or Quoter as a result of or in connection with the submission of this data, the Government shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting contract. This restriction does not limit the Government's right to use information contained in this data if it is obtained from other sources without restriction. The data subject to this restriction are contained in this entire proposal.



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June 5, 2018

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Mr. Alan Dotson
Contracting Officer
Bureau of the Fiscal Service
200 Third Street, Avery 5F
Parkersburg, WV 26101

RE: BPS Call Proposal Request: FSA-5000000-18-0003 Technical Support Services on the Asset Management Distributed Ledger Technology Solution

Dear Mr. Dotson:

On behalf of Deloitte¹, I want to thank you for the opportunity to propose to assist the U.S. Department of Treasury, Bureau of the Fiscal Service, Office of Financial Innovation and Transformation (FIT) to advance their exploration of DLT, specifically Blockchain, as it applies to both mobile and digital asset tokenization and tracking. We prepared our submission to address the requirements of the request and strongly believe that Deloitte possesses the required level of skill and experience to perform the Performance Work Statement (PWS). Our submission consists of two files: Volume I – Written Technical Discussion and Volume II – Price Quote.

We are excited to continue supporting FIT's blockchain learning journey, and we hope our proposal conveys our enthusiastic commitment to [REDACTED]

[REDACTED] Should you have any contractual questions, please [REDACTED]

Thank you for considering Deloitte. We look forward to further discussions with you on this important engagement.

¹ As used in this document, 'Deloitte' means Deloitte Consulting LLP, which provides strategy, technology, and human capital consulting services; Deloitte & Touche LLP, which provides accounting, auditing, internal control and financial management support services, and Deloitte Financial Advisory Services LLP (including its subsidiary Deloitte Transactions & Business Analytics LLP), which provides forensic accounting, cost accounting and dispute consulting services. These entities are separate subsidiaries of Deloitte LLP. Deloitte & Touche LLP and Deloitte Financial Advisory Services LLP, affiliates of the prime contractor Deloitte Consulting LLP, will also support the contract. Such services are provided as inter-firm transfers pursuant to FAR Part 31.205-26(e). In accordance with the disclosed practices of Deloitte Consulting LLP, such transfers are at or less than cost and are burdened with Deloitte Federal General and Administrative expense and profit/fee as applicable. Deloitte Consulting LLP and Deloitte Transactions and Business Analytics LLP are not certified public accounting firms. Please see www.deloitte.com/us/about for a detailed description of the legal structure of Deloitte LLP and its subsidiaries. Certain services may not be available to attest clients under the rules and regulations of public accounting.

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1.0 Our Understanding

The role that Bureau of the Fiscal Service (Fiscal Service), Office of Financial Innovation and Transformation (FIT) plays in leading financial transformation across the Federal government presents the perfect opportunity to embrace innovative technologies that can increase efficiency and allow federal agencies to do more in an austere budget environment. Distributed Ledger Technology (DLT), also commonly referred to as blockchain technology, is one of these potential innovative, newly emerging technologies. FIT started its exploration with Asset Tracking using Distributed Ledger Technology (DLT), which yielded learnings around the baseline technology and the value it can drive. Fiscal Service now desires to expand that learning to understanding how blockchain solutions integrate into the core Fiscal Service and Treasury infrastructure and interface with specific legacy systems, while adhering to their IT and data privacy and security standards. Further, FIT desires to expand their learning into several other DLT core areas including how to participate in a blockchain network (consortium) while working with recordation and monitoring of digital assets across a decentralized network.

[REDACTED]

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]d record in delivering accounting and financial transformation across the Federal government.

2.0 Key Personnel Experience and Capabilities

Blockchain is truly an emerging technology. Blockchain is also a complex technology. FIT requires a team who understands the technology, gained through hands on experience. Beyond just understanding the technology, FIT requires that team to understand [REDACTED]

[REDACTED] Deloitte brings [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED].

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED] All key
personnel are [REDACTED]
[REDACTED] (PWS 7.0).

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

- Deloitte has [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
- Deloitte has [REDACTED]
[REDACTED] [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
- [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
- [REDACTED]
[REDACTED]
[REDACTED]
- [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

(b) [REDACTED]
[REDACTED]

(b) [REDACTED]
[REDACTED]

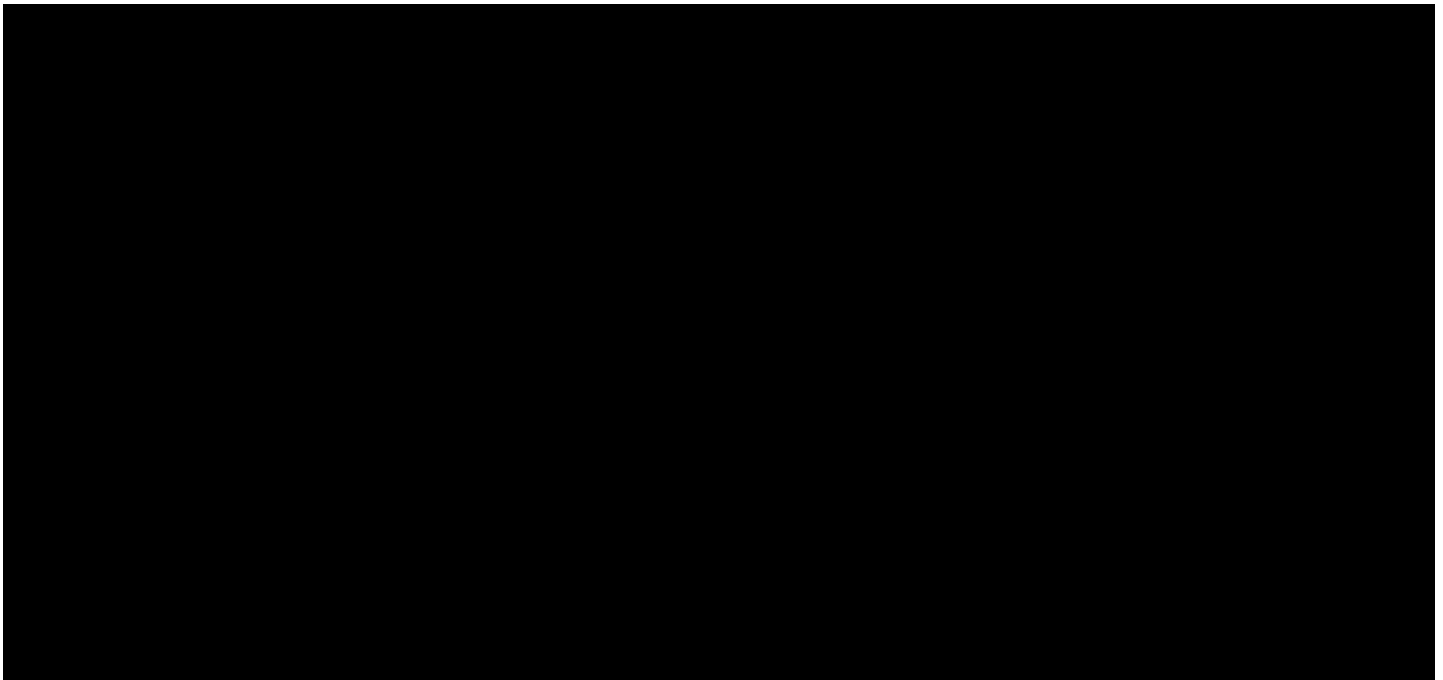
(b) [REDACTED]
[REDACTED]

[REDACTED]

Our team is excited to start day one in delivering an experienced, balanced blend of blockchain and Federal financial management professionals that will maintain open lines of communication with FIT stakeholders and foster a collaborative working relationship as the FIT continues on its blockchain journey.

Figure 2.0.1 identifies the highly qualified proposed personnel available to support the tasks outlined in the PWS. We have also included Key Personnel resumes detailing the specific qualifications and skills in **Appendix A**.

Figure 2.0.1 Summary of Key Personnel Expertise



3.0 Technical Approach

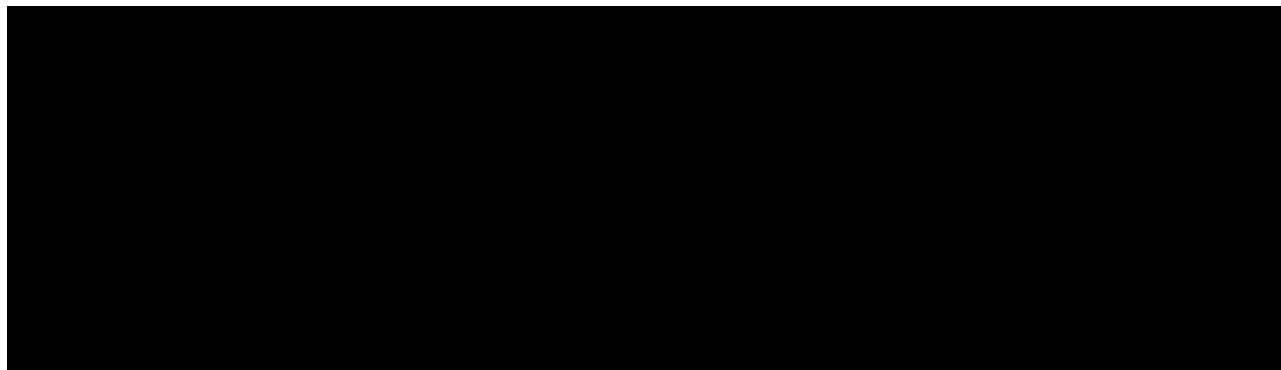
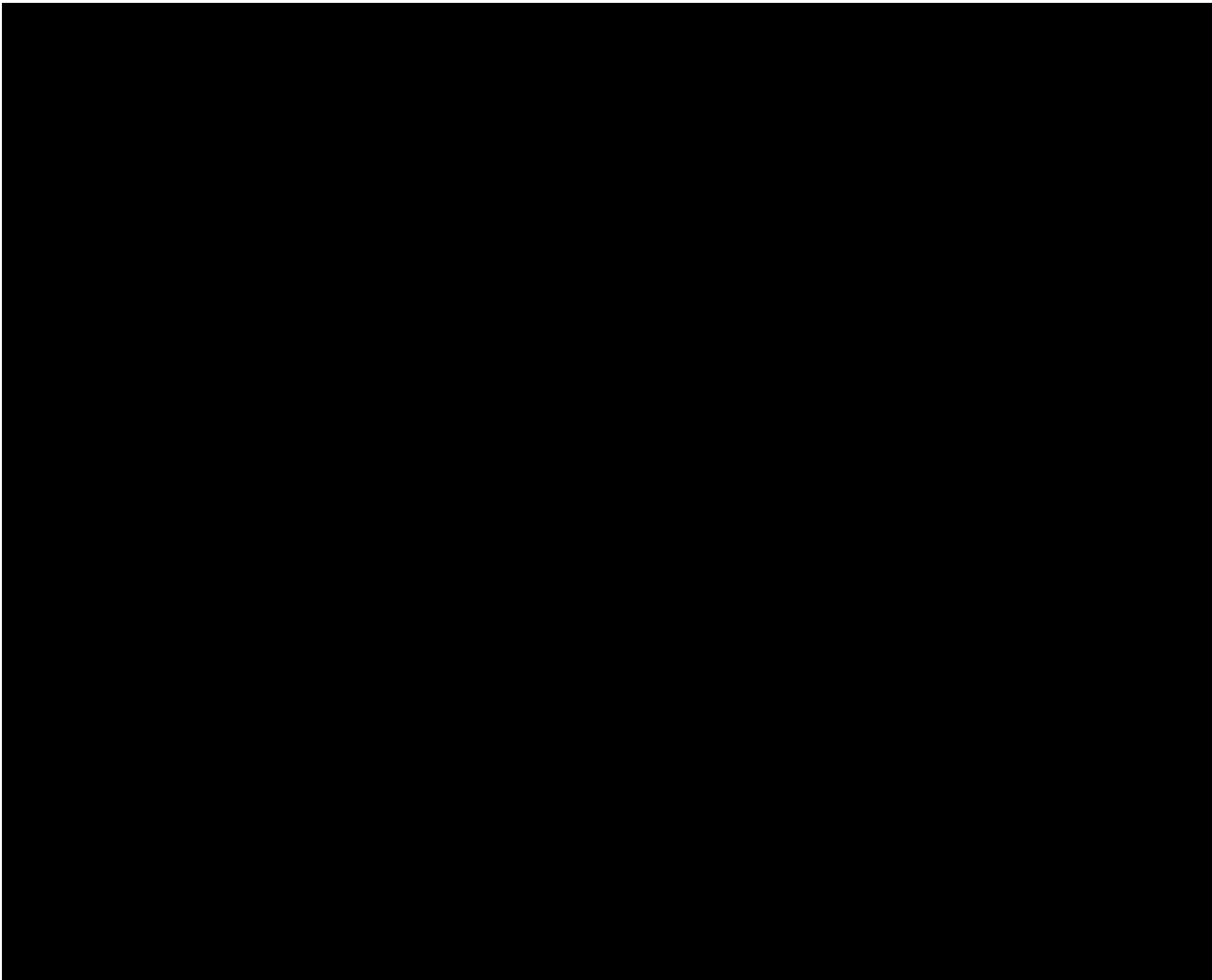
The BPA Call Proposal Request FSA-5000000-18-003 Performance Work Statement (PWS) requests both a pilot, which is the continuation of a proof of concept for physical asset tracking using DLT, and a new proof of concept which will track digital assets – software licenses – across one or more Federal agencies. [REDACTED]

[REDACTED]

Notional Future State for the Physical Asset Pilot: For the purposes of this pilot, [REDACTED]

[REDACTED]

Figure 3.0.1 Notional Process Flow for Asset Tracking Pilot



At the culmination of the pilot project, [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Notional Future State for the Digital Asset Proof of Concept: [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Table 3.0.2 Notional Roles and Responsibilities for the DLT POC

[REDACTED]

