OPM, OFFICE OF PROCUREMENT OPERATIONS

In support of

OPM OFFICE OF THE CHIEF INFORMATION OFFICER (OCIO)

STATEMENT OF OBJECTIVES (SOO)

Project: Cloud Cost Management Software

U.S. OFFICE OF PERSONNEL MANAGEMENT (OPM)

1900 E STREET NW, WASHINGTON, DC 20415

September 2023

1. **Introduction:**

This is a Statement of Objectives (SOO) for information and planning purposes only.

The intent of this SOO will help OCIO determine the best value for acquisition of Cloud Cost Management Software based upon these detailed objectives.

OPM is not seeking proposals at this time and will not accept unsolicited proposals.

If a formal solicitation is issued at a later date, the OPM will issue an appropriate solicitation notice.

Estimated award date for a potential contract is December 2023.

2. Purpose:

The OPM Cloud Cost Management Requirement Document is intended to provide requirements for selection of a 3rd party software tool used to monitor spending in the cloud.

OPM is in the process of implementing public cloud technology across their business with increasing velocity. OPM's cloud strategy includes the use of multiple vendor clouds for different types of PaaS, SaaS, and IaaS projects. Cloud cost management and optimization is a combination of strategies, techniques, best practices, and tools that not only help reduce cloud costs but also maximize the business value of using the cloud.

3. Scope:

A Cloud Cost Management tool will be implemented to assist OPM teams in understanding their total costs for cloud consumption, opportunities for cost avoidance, metrics to gauge how cloud usage is trending, and areas for improvement. This tool will help fill a gap in the capabilities currently available in the Azure portal and allow OPM the ability to manage costs across multiple vendors in the future.

4. Period of Performance:

OPM anticipates a base year plus 4 one-year options as
follows (unless otherwise indicated):

Base Period: December 8, 2023 - December 7, 2024

Option Period 1: December 8, 2024 - December 7, 2025

Option Period 2: December 8, 2025 - December 7, 2026

Option Period 3: December 8, 2026 - December 7, 2027

Option Period 4: December 8, 2027 - December 7, 2028

5. Place of Performance:

The primary place of performance is the Government's facility. The OPM headquarters
is located at 1900 E Street NW Washington, DC 20415. The contractor work shall be performed remotely
under the direction of the OPM Project Manager, and if the selected solution is
a SaaS platform solution, contractor work shall also be performed remotely. On this

basis OPM will not provide space for contractor personnel on-site.

6. Background:

The Office of Personnel Management (OPM) is looking to increase efficiencies and reduce costs associated with Information Technology systems and specifically it's cloud operating environment.

Leveraging Cloud Cost Management software is one way in which OPM can have better insight into how and where cloud costs are being incurred and look for ways to avoid unnecessary costs.

7. Performance Objectives:

<u>General Tool Requirements</u>
- FedRamp Certified
- Multi cloud support with integrated dashboards showing spend across multiple cloud providers
- 508 Compliant
- Support for Technology Business Management (TBM) reporting

<u>Cost Spend/Savings Reports</u>
- Automated Showback and Chargeback calculations for shared infrastructure and security costs
- Ability to customize view of costs and spend without tags or Identity and Access Management (IAM) role limitations
- Historical spend data beyond 12 months (only 1 year available in Azure portal)
- Increased fidelity on Shared costs with integration into showback/chargeback models
- Cost quotas (beyond just the "budget" that is built into the portal)
- Cost comparisons against industry averages for comparable workloads
- Savings calculator with projections/forecasting built-in
- Receive alerts/Notifications when cost anomalies, like cost spikes, occur, so action to avoid expensive cost overruns
- Provides dashboards, custom reports and recommendations for increased visibility.
- Tagging Compliance reports

<u>Forecast</u>
- Forecasted spend based on historical spending patterns as well as ability to input manual spend expectations
- Alerts/Notifications are reaching the forecasted spend amount by dollar amount and percentage

<u>Anomalies</u>
- Automated Anomalous spend using 3rd party Machine Learning/Artificial Intelligence (ML/AI) technology
- Improved Anomaly and spike detection/alerting

<u>Commitments</u>
- Advanced Reserved Instance and Saving Plan (RI/SP) commitment planning and comparisons
- RI/SP and Log commitment tier savings calculations

<u>Resource optimization</u>
- Combined view of all idle/unused resources
- Holistic view of Virtual Machines (VMs) and other resources health recommendations along with automated notifications.
- Rightsizing recommendations with expected savings

- Configurable thresholds for Rightsizing recommendations to include Memory, Disk, Storage, Network, CPU etc.
- Improved Detection, alerting, reporting, and forecasting on unused and underutilized/overprovisioned resources
- Identify wasted resources

Automation Activities
- Automation and/or visual workflow builder
- Automated action(s) when a threshold is breached beyond just sending an alert
- Automated health report of all the resources
- Automatically pause idle resources to reduce costs
- Automated tagging/customization
- Integration with other 3rd party tools utilized by OPM to manage and monitor IT resources

NOTE: Questions /Comments should be emailed directly to the below P.O.C. by 1:00 pm Eastern Time on 16 Oct 2023.

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