# 

Statement of Work

Hybrid Cloud Foundation (Core)

**Prepared for**

.

**Prepared by**

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This Statement of Work (SOW) and any exhibits, appendices, schedules, and attachments to it are made pursuant to Enterprise Services Work Order (ESWO) 6CAN194-230122-269653 and describes the work to be performed (Services) by Microsoft (“us,” “we”) for . (“Customer,” “you,” “your”) relating to Azure (project).

This SOW and the associated ESWO expire 30 days after their publication date, unless signed by both parties or formally extended in writing by Microsoft.

Introduction

is currently hosting its core application environment on-premises in a colocation facility with its Dev/Test environments currently deployed in AWS. In this project, we will establish the Microsoft Azure environment into which ’s core application and Dev/Test environments will be deployed.

In this project, Microsoft will assist as it seeks to integrate Azure capabilities into its environment. The project will help the Customer establish a foundational understanding of Azure, discuss and document an initial design, establish initial external connectivity, and begin implementing and configuring its Azure environment.

# Project objectives and scope

## Objectives

The objectives of this project are listed by module in the following table.

| Module | Objectives |
| --- | --- |
| Core Azure design (Hybrid Cloud Foundation core) | * Establish Azure as a platform for cloud-based applications and services. * Focus on core Azure design components as defined in the General project scope section. * Assist the Customer with implementing its core Azure design within the limits specified in the General project scope section. |

## Areas in scope

### General project scope

Microsoft will provide Services in support of the following scope for the core Azure design module.

| Work Area | Description | Assumptions |
| --- | --- | --- |
| Workshop | Microsoft will conduct an architectural design session to guide your design decisions. This work includes presentations, discussions, and creating and reviewing documents. The core Azure design module addresses the following topics:   * Overview and approach * Envisioning and service overview * Subscriptions and operations * Naming standards design * Networking * Network security * Identity * Security * Monitoring | The workshop will be delivered at the at the start of the Plan phase and conclude before end of the Plan phase  Exact schedule and attendees will be determined during the engagement initiation phase and the kick off meeting. |
| Implementation of the core Azure design using Resource Manager | Microsoft will assist the Customer with implementing its core Azure design using sample Resource Manager templates.   * 1 Azure virtual network model |  |
| Configure Azure subscriptions and administrators | Microsoft will assist the Customer with the configuration of:   * Up to 3 Azure subscriptions * The defined naming standards * The Azure resource groups required to support the subscription design * Up to 3 role-based access control (RBAC) roles that use built-in Azure RBAC role definitions |  |
| Configure Azure external network connectivity | Microsoft will assist the Customer with the configuration of:   * The Azure portion of a site-to-site virtual private network and, * The Azure portion of an ExpressRoute connection | Microsoft will not configure the physical routers or network virtual appliances. |
| Configure Azure networking | Microsoft will assist the Customer with the configuration of:   * Up to 3 Azure virtual networks, address space, and subnets * Name resolution using Domain Name System (DNS) * Virtual network-to-virtual network connectivity * Network security settings (such as network security group settings, force tunneling, and egress planning) | Microsoft will not configure the physical routers or network virtual appliances. |
| Configure Azure identity | Microsoft will assist the Customer with the configuration of:   * Azure Active Directory synchronization * Federation on the Azure Active Directory tenant |  |
| Configure Azure monitoring | Microsoft will assist the Customer with the configuration of:   * Azure portal monitoring (alerts, thresholds, and operational monitoring). |  |
| Solution demonstration session | Microsoft will lead 1 solution demonstration session with Customer staff to provide informal knowledge transfer and share recommended solution-operating practices. | The solution demonstration will occur during 2 days of the Stabilize phase. |
| Secure Infrastructure Specialist Assistance | Infrastructure Specialist knowledge of Azure Implementation, Configuration and migration to be utilized/resourced by 40-hour blocks of time | Up to 205 hours of total effort over a maximum duration of 4 months from project kick off |

### Software products and technologies

The products and technology that are listed in the following table are required for project implementation. The Customer is responsible for obtaining all identified licenses and products.

| Product and technology item | Version | Ready by |
| --- | --- | --- |
| Up to 3 Azure subscriptions based on the selected Azure subscription model | Not applicable | Project start date |

### Environments

The following environments will be required to deliver the project.

| Environment | Location | Responsibility | Ready by |
| --- | --- | --- | --- |
| Azure | Customer-selected Azure region | Customer | Project start date |

### Testing and defect remediation

#### Testing

Microsoft will assist with the following testing as part of this SOW.

In the Plan phase of the project, Microsoft will conduct a workshop that focuses on planning test cases and the exit criteria. Following these decisions, a high-level test plan will be created to guide testing activities related to the Resource Manager templates that were created as outputs of the design and planning sessions. The test plan typically consists of a Microsoft Excel workbook that lists up to five test cases, expected results, and observed results. Testing is focused on Customer-specific scenarios as opposed to generic testing of Azure fundamentals. Testing activities that are related to test cases are time-boxed (that is, not to exceed) a total of five business days. This means that after five business days, if additional testing effort is necessary, it is subject to the Change management process defined later in this document.

The following testing is included in the scope of the project. If the Customer has responsibility for testing, the Microsoft effort to support that activity is identified. If additional time is needed for Microsoft testing support, it can be requested through the Change management process described in this SOW.

| Test type (environment) | Description | Responsibility | | |
| --- | --- | --- | --- | --- |
| Has responsibility  for testing? | Provides data or test cases | Provides guidance and support |
| System testing (Azure) | System testing focuses on determining whether functionality meets design. Test cases are based on the functional specification document. | Microsoft | Customer | Customer |

#### Defect remediation

If defects are identified during testing, the priority of the item will be jointly agreed upon by the Customer and Microsoft. Defect prioritization is defined in the following table.

| Priority | Description | Remediation in scope? |
| --- | --- | --- |
| P1 | **Blocking defect**  Development, testing, or production launch cannot proceed until this type of defect is corrected. A defect of this type blocks further progress in this area. The solution cannot ship, and the project team cannot achieve the next milestone until such a defect is corrected. | Yes |
| P2 | **Significant defect** This type of defect must be fixed prior to moving to production. Such a defect, however, will not affect test plan implementation. | Yes |
| P3 | **Important defect** It is important to correct this type of defect. However, it is possible to move forward into production using a workaround. | No; the problem will be logged. Remediation will be performed through an agreed-upon change request only. |
| P4 | **Enhancements and low priority defects** P4 defects consist of feature enhancement and cosmetic defects. These include design requests that vary from original concepts. | No; the problem will be logged. Remediation will be performed through an agreed-upon change request only. |

## Areas out of scope

Any area not explicitly included in the Areas in scope section is out of scope for Microsoft during this project. Areas out of scope for this project are listed in the following table.

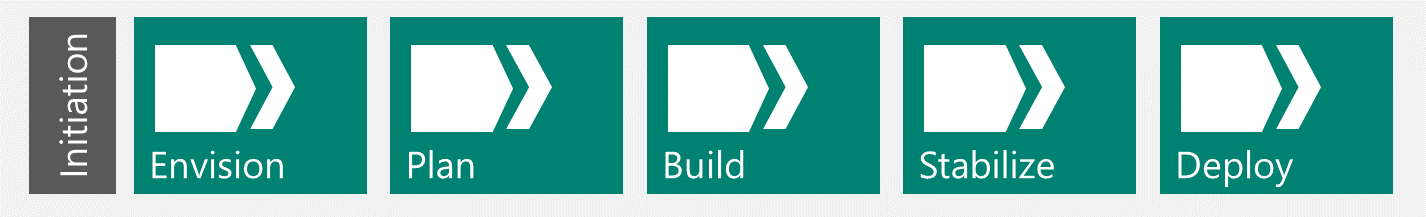
| Area | Description | |
| --- | --- | --- |
| Active Directory configuration | Configuration of AD DS, AD FS, and Azure Active Directory, beyond that which is explicitly required to support Azure integration, is out of scope. |
| Custom automation development | Creation of automation or scripts for deployment, management, or other purposes is out of scope. Microsoft, however, might share sample automation or scripts to use as a reference. Any extension or customization of this code is out of scope. |
| Product licenses and subscriptions | Product licenses (Microsoft or non-Microsoft) and cloud service subscriptions are not included. |
| Hardware | Microsoft will not provide hardware for this project. |
| Networking | Configuration of physical network devices, such as routers and firewalls, and virtual network appliances deployed on Azure is out of scope. |
| Integration with third-party software | Microsoft will not be responsible for integration with third-party software. |
| Data migration | Data migration activities are not in scope for this project. |
| System integration | System integration and interfaces are not in scope for this project. |
| Product bugs  and upgrades | Product upgrades, bugs, and design change requests for Microsoft products are not in scope for this project. |
| Source code review | The Customer will not provide Microsoft with access to non-Microsoft source code or source code information. For any non-Microsoft code, Microsoft Services will be limited to the analysis of binary data, such as a process dump or network monitor trace. |
| Process reengineering | Designing functional business components of the solution is not included. |
| Organizational change management | Designing—or redesigning—the Customer’s functional organization is not included. |
| Certification and accreditation | Customer regulatory compliance certification and accreditation activities outside of general support for existing Customer processes are out of scope. |

# Project approach, timeline, and deliverable acceptance

## Approach

The project will be structured following the Microsoft solution delivery methodology across four distinct phases: Envision, Plan, Build, Stabilize. Each phase has distinct activities and deliverables that are described in the following sections.

If a deliverable requires formal review and acceptance (a process described in the Deliverable acceptance process section), this is indicated in the following sections.



### Engagement initiation

Before beginning the project, the following prerequisites must be completed.

| Category | Description |
| --- | --- |
| **Microsoft activities** The activities to be performed by Microsoft | * Conduct a preinitiation call to initiate team formation and communicate expectations. * Conduct a detailed walk-through of the SOW with the Customer to agree on an initial project schedule and approach. * Communicate the project prerequisites using input from this SOW. * Track the status of launch prerequisites and adjust the engagement initiation phase start date accordingly. |
| **Customer activities** The activities to be performed by the Customer | * Attend and participate in the preinitiation call. * Assign project initiation and launch prerequisite responsibilities to accountable Customer leadership and establish target completion dates. * Complete the project initiation and launch prerequisites. * Staff the project with the required Customer resources in the time frames that were agreed upon in the preinitiation call. * Site-readiness activities that are a prerequisite for the completion of Microsoft Services tasks (such as hardware deployment) will be completed before the start of the engagement. Failure to complete site-readiness activities that are required for Microsoft to deliver its Services according to the agreed-upon project schedule can result in project delays requiring change orders to this project and additional project costs. * Customer networking staff will be responsible for ExpressRoute or VPN setup and configuration. * The establishment of an ExpressRoute circuit with the organization’s selected ExpressRoute provider can take several weeks, therefore Customer negotiations with a vendor should start as early as possible. * Validate that an Azure-certified VPN endpoint is in place (supported devices list at <https://docs.microsoft.com/en-us/azure/vpn-gateway/vpn-gateway-about-vpn-devices>).The network device must be updated with the latest firmware, and have required routes, port allocations, and IP addressing to facilitate connectivity to Azure. Provide a network border configuration that facilitates access to at least TCP 80, 443, and 3389 across Azure datacenters. Other specific ports, protocols, and destinations can be determined jointly during the Plan phase. |

### Envision

During the Envision phase, the team (Microsoft and the Customer) will reach agreement on a shared vision for the project and the specific scope that will be required to make that vision a reality.

|  | |
| --- | --- |
| Category | Description |
| **Microsoft activities** The activities to be performed by Microsoft | * Lead a formal project kickoff meeting to begin onsite activities. The kickoff itself can be held remotely. * Discuss the project objectives, structure, timeline, and team. * Begin capturing the Customer’s vision and requirements for the Customer’s core Azure design. |
| **Customer activities** The activities to be performed by the Customer | * Discuss the project objectives, structure, timeline, and team. * Discuss the vision and requirements for your core Azure design. * Verify that prerequisites are met to connect the Customer datacenter to Azure. Either an ExpressRoute or a VPN connection is required at the beginning of the engagement. * Procure a nontrial Azure subscription or verify that an Azure enrollment is in place. * Determine and coordinate the timing of, and key personnel availability for, the design sessions. |

#### Deliverables

| Name | Description | Acceptance required? | Responsibility |
| --- | --- | --- | --- |
| Vision and scope document | Describes the desired solution and overall project direction. | No | Microsoft |
| Hybrid Cloud Foundation Core - Project plan | Describes the project timeline and tasks for the Hybrid Cloud Foundation Core activites. | No | Microsoft |

### Plan

During the Plan phase, the team will develop a detailed plan for the project that includes a list of activities that are to be completed and the project schedule.

|  | |
| --- | --- |
| Category | Description |
| **Microsoft activities** The activities to be performed by Microsoft | * Conduct design sessions that help guide your design decisions to align your requirements with Azure capabilities. * Document the design decisions in a workshop report and a design document. * Conduct the Azure Operations introduction workshops and knowledge exchange sessions. |
| **Customer activities** The activities to be performed by the Customer | * Participate in the design sessions, document creation, and document review. * Facilitate additional meetings with additional experts and stakeholders as determined during the design sessions. * Make the required environmental changes if identified during the design sessions. * Verify that your existing infrastructure AD DS, Azure Active Directory, DNS, and other dependent infrastructure is deployed in a supported configuration. |
| **Key assumptions** | * Any required environmental changes must be made in a manner that supports the overall schedule. Delays in making required changes can affect the overall schedule and require a change order. * The Customer environment must be ready for the Build phase. |

#### Deliverables

| Name | Description | Acceptance required? | Responsibility |
| --- | --- | --- | --- |
| Hybrid Cloud Foundation Core Design document | Describes your core Azure design. Focuses on the areas and decisions covered during the design sessions. | No | Microsoft |
| Test plan | Documents planned tests and results required to validate the Azure design. | No | Microsoft |

### Build

During the Build phase, the team will build all the aspects of the solution and prepare it for final testing.

|  | |
| --- | --- |
| Category | Description |
| **Microsoft activities** The activities to be performed by Microsoft | * Assist you with the configuration of Azure within the limits defined in the General project scope section. * Assist you with the implementation of your core Azure design as documented in your Azure design document. * Assist you with the development of sample Resource Manager templates within the limits defined in the General project scope section. |
| **Customer activities** The activities to be performed by the Customer | * Confirm that key personnel have been identified and their time has been allocated. * Perform Azure configuration activities with assistance from Microsoft. * Answer questions and provide requested data during implementation. |

#### Deliverables

|  |  |  |  |
| --- | --- | --- | --- |
| Name | Description | Acceptance required? | Responsibility |
| Resource Manager templates | Codification of your core Azure design within the limits defined in the General project scope section above | No | Microsoft |

### Stabilize

During the Stabilize phase, the team will focus on testing the solution and preparing it for release.

|  | |
| --- | --- |
| Category | Description |
| **Microsoft activities** The activities to be performed by Microsoft | * Validate Resource Manager templates and core Azure design by assisting with testing activities as defined in the test plan and Testing and defect remediation section. * Lead a demonstration of the solution that includes recommended operations and management practices to the Customer staff. * Conduct the closeout meeting. |
| **Customer activities** The activities to be performed by the Customer | * Identify and coordinate key personnel who can participate in the testing. * Conduct all testing to review features and functionality. * Facilitate communication, information, and coordination needed for testing across teams. * Perform operational transition of the Azure subscription.   + Develop and communicate the support strategy, procedures, and information required by the Customer’s help desk and field technical support.   + Submit and obtain approvals for the change control processes required for production deployment in subsequent phases. * Participate in the closeout meeting. |

#### Deliverables

|  |  |  |  |
| --- | --- | --- | --- |
| Name | Description | Acceptance required? | Responsibility |
| Completed test plan | Documents the results of the conducted test. | No | Microsoft |
| Configured Azure environment | Your core Azure environment, configured within the limits defined the General project scope section as per the HCF Core Design deliverable. | No | Microsoft |

## Timeline

During project planning, a detailed timeline will be developed. All dates and durations are relative to the project start date and are estimates only.

## Deliverable acceptance process

During the project, Microsoft will submit certain deliverables (listed in the Approach section as deliverables with “Acceptance required?” equal to “Yes”) for the Customer’s review and approval.

Within three business days of the date of submittal, the Customer is required to:

* **Accept the deliverable** by signing, dating, and returning a service deliverable acceptance form, which can be sent by email, or by using (or partially using) the deliverable

Or

* **Reject the deliverable** by notifying Microsoft in writing; the Customer must include a complete list of reasons for rejection.

Deliverables shall be deemed accepted unless the written rejection notification is received by Microsoft in the time frame specified.

If a rejection notification is received, Microsoft will correct problems with a deliverable that are in scope for the project (and documented in this SOW), after which the deliverable is deemed accepted.

Problems that are outside the scope of this SOW, and feedback provided after a deliverable has been accepted, will be addressed as a change request, managed as described in the Change management process section.

## Project governance

The governance structure and processes the team will adhere to for the project are described in the following sections:

### Project communication

The following will be used to communicate during the project:

* **Communication plan:** this document will describe the frequency, audience, and content of communication with the team and stakeholders. It will be developed by Microsoft and the Customer as part of project planning.
* **Status reports:** the Microsoft team will prepare and issue regular status reports to project stakeholders according to the frequency defined in the communication plan.
* **Status meetings:** the Microsoft team will schedule regular status meetings to review the overall project status, the acceptance of deliverables, and review open problems and risks.

### Risk and issue management

The following general procedure will be used to manage active project issues and risks during the project:

* **Identify:** identify and document project issues (current problems) and risks (potential problems that could affect the project).
* **Analyze and prioritize:** assess the potential impact and determine the highest priority risks and problems that will be actively managed.
* **Plan and schedule:** determine the strategy for managing priority risks and issues and identify a resource who can take responsibility for mitigation and remediation.
* **Track and report:** monitor and report the status of risks and problems.
* **Escalate:** escalate to project sponsors the high impact problems and risks that the team is unable to resolve.
* **Control:** review the effectiveness of risk and issue management actions.

Active issues and risks will be regularly monitored during the project.

### Change management process

During the project, either party can request modifications to the Services described in this SOW. These changes only take effect when the proposed change is agreed upon by both parties. The change management process steps are:

* **The change is documented:** all change requests will be documented by Microsoft in a Microsoft change request form and submitted to the Customer. The change request form includes:
  + A description of the change.
  + The estimated effect of implementing the change.
* **The change is submitted:** the change request form will be provided to the Customer.
* **The change is accepted or rejected:** the Customer has three business days to confirm the following to Microsoft:
  + Acceptance—the Customer must sign and return change request form.
  + Rejection—if the Customer does not want to proceed with the change or does not provide an approval within three business days, no changes will be performed.

During the project, either party can request, in writing, additions, deletions, or modifications to the Services described in this SOW (“change”). Approved changes will be managed through amendments and could lead to additional costs and schedule impacts. We shall have no obligation to commence work in connection with any change until the details of the change are agreed upon in an amendment signed by the authorized signatories from both parties.

Within three consecutive business days of receipt of the proposed amendment, you must either indicate acceptance of the proposed change by signing the amendment or advise us not to perform the change. If you advise us not to perform the change, we will proceed with the original agreed-upon Services only. In the absence of your acceptance or rejection within the previously noted time frame, we will not perform the proposed change.

### Escalation path

The Microsoft project manager will work closely with the Customer project manager, sponsor, and other designees to manage project issues, risks, and change requests as described previously. The Customer will provide reasonable access to the sponsor or sponsors to expedite resolution. The standard escalation path for review, approval, or dispute resolution is as follows:

* Project team member (Microsoft or the Customer)
* Project manager (Microsoft and the Customer)
* Microsoft delivery manager
* Microsoft and the Customer project sponsor

## Project completion

The project will be considered complete when at least one of the following conditions is met:

* All Microsoft deliverables that require acceptance have been delivered and accepted (or deemed accepted).
* The Work Order has been terminated.

# Project organization

## Project roles and responsibilities

The key project roles and the responsibilities are as follows.

#### Customer

| Role | Responsibilities |
| --- | --- |
| **Project sponsor** | * Make key project decisions. * Serve as a point of escalation to support clearing project roadblocks. |
| **Project manager** | * Serve as primary point of contact for the Microsoft team. * Manage the overall project. * Deliver the project on schedule. * Take responsibility for Customer resource allocation, risk management, and project priorities. * Communicate with executive stakeholders. |
| **Technical team lead** | * Serve as primary technical point of contact. * Take responsibility for technical architecture and driving decisions that facilitate the Azure design creation. * Coordinate the installation and configuration activities of the required hardware elements. |
| **Network lead** | * Serve as the primary point of contact for subject area. * Verify connectivity to Azure, VPN, or ExpressRoute. * Take responsibility for managing and performing the installation and configuration of subject area components. |
| **Storage or backup lead** | * Serve as the primary point of contact for the subject area. * Take responsibility for managing and performing the installation and configuration of subject area components. |
| **Security lead** | * Serve as the primary point of contact for the subject area. * Take responsibility for managing and performing the installation and configuration of subject area components. |
| **Identity or Active Directory lead** | * Serve as the primary point of contact for the subject area. * Take responsibility for managing and performing the installation and configuration of subject area components. |
| **Operations lead** | * Serve as the primary point of contact for the subject area. * Verify that Azure Services will be integrated in existing management environment * Take responsibility for managing and performing the installation and configuration of subject area components. |
| **Application or workload lead** | * Serve as primary point of contact for the subject area. * Provide insights into current or planned workloads deployed on Azure. * Take responsibility for managing and performing the installation and configuration of subject area components. |

#### Microsoft

| Role | Responsibilities | |
| --- | --- | --- |
| **Delivery manager** | * Manage and coordinate the overall Microsoft project. * Serve as a single point of contact for escalations, billing issues, personnel matters, and contract extensions. |
| **Microsoft project manager** | * Manage and coordinate Microsoft project delivery. * Take responsibility for issue and risk management, change management, project priorities, status communications, and status meetings. * Coordinate Microsoft and Microsoft subcontractor resources but not Customer resources. |
| **Microsoft Azure architect** | * Lead the design sessions and deliver selected workshops. * Take responsibility for the Azure design document. * Assist with Azure configuration and other solution build activities. * Assist with solution testing. * Support the solution walk-through. |
| **Microsoft Azure consultants** | * Deliver the design sessions. * Lead Azure configuration and other solution build activities. * Lead solution development activities. * Lead solution testing. * Lead the solution walk-through. |

# Customer responsibilities and project assumptions

## Customer responsibilities

In addition to Customer activities defined in the Approach section, the Customer is also required to:

* Provide information.
  + This includes accurate, timely (within three business days or as mutually agreed upon), and complete information.
* Provide access to people and resources.
  + This includes access to knowledgeable Customer personnel, including business user representatives, and access to funding if additional budget is needed to deliver project scope.
  + Identify key personnel (stakeholders, decision makers, architects, and subject matter specialists) to participate in the workshops, design sessions, and testing activities described in the Approach section.
* Confirm key personnel availability and coordinate their participation.
  + Key personnel will attend workshops and design sessions to provide requirements and participate in the discussions and decision making.
  + Key personnel identified to participate must be empowered to make decisions on behalf of the organization, and to engage with and coordinate with other teams.
* Provide access to systems.
  + This includes access to all necessary Customer work locations, networks, systems, and applications (remote and onsite).
* Provide a work environment.
  + This consists of suitable work spaces, including desks, chairs, and Internet access.
* Manage non-Microsoft resources.
  + The Customer will assume responsibility for the management of all Customer personnel and vendors who are not managed by Microsoft.
* Manage external dependencies.
  + The Customer will facilitate any interactions with related projects or programs to manage external project dependencies.

## Project assumptions

The project scope, Services, fees, timeline, and our detailed solution are based on the information provided by the Customer to date. During the project, the information and assumptions in this SOW will be validated, and if a material difference is present, this could result in Microsoft initiating a change request to cover additional work or extend the project duration. In addition, the following assumptions have been made:

* Work day:
  + The standard work day for the Microsoft project team is between 8:00 AM and 5:00 PM, Monday through Friday.
* Standard holidays:
  + Observance of consultants’ country-of-residence holidays is assumed and has been factored into the project timeline.
* Remote working:
  + The Microsoft project team may perform Services remotely.
  + If the Microsoft project team is required to be present at the Customer location on a weekly basis, resources will typically be on site for three nights and four days, arriving on a Monday and leaving on a Thursday.
* Language:
  + All project communications and documentation will be in English. Local language support and translations will be provided by the Customer.
* Staffing:
  + If necessary, Microsoft will make staffing changes. These can include, but are not limited to, the number of resources, individuals, and project roles.
* Informal knowledge transfer:
  + Customer staff members who work alongside Microsoft staff will be provided with information knowledge transfer throughout the project. No formal training materials will be developed or delivered as part of this informal knowledge transfer.