

# **Invitation to Negotiate (ITN)**

## **State Board of Administration of Florida**

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### ***Implementation of Integrated Risk Management Solution***

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## SECTION I – INTRODUCTION AND PURPOSE

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### A. Background

The State Board of Administration of Florida (the “SBA” or the “Board”) is an agency of Florida state government that provides a variety of investment services to various governmental entities. These include managing the assets of the Florida Retirement System (FRS) Pension Plan (i.e., defined benefit plan) and Investment Plan (i.e., defined contribution plan), the Lawton Chiles Endowment Fund, the Local Government Surplus Funds Trust Fund, the Hurricane Catastrophe Fund, the Lottery Fund and a variety of smaller funds. The total market value of the FRS Pension Plan was approximately \$160.4 billion in assets as of June 30, 2018. The total assets under management as of June 30, 2018 were \$201.1 billion. The SBA currently invests in five asset classes: Global Equity, Fixed Income, Strategic Investments, Private Equity and Real Estate. Further information on these mandates can be found at [www.sbafla.com](http://www.sbafla.com)

A Board of Trustees governs the SBA and is comprised of elected officials of the State of Florida: the Governor, as Chair; the Chief Financial Officer, and the Attorney General. The Trustees have ultimate authority and oversight for the SBA’s overall strategy.

The Trustees delegate authority to the SBA’s Executive Director and Chief Investment Officer (CIO), who serves at the discretion of the Trustees and is responsible for managing and directing all administrative, personnel, budgeting, investment policy, and investment functions. The Executive Director manages 216 professional and administrative support staff.

The Board of Trustees appoints nine members to serve on the Investment Advisory Council. The Investment Advisory Council reviews investments made by the staff of the SBA and makes recommendations regarding investment policy, strategy and procedures. The Council meets on an ongoing basis to discuss general investment policies and broad topics related to the general economic outlook.

The Trustees appoint three members to serve on the SBA Audit Committee. The Audit Committee assists the Trustees in fulfilling their oversight responsibilities in the areas of financial reporting, internal controls and risks assessment, audit processes, and compliance. The Audit Committee meets at least on a quarterly basis.

The SBA provides investment management of assets of the Florida Retirement System (FRS) Trust Fund. The Division of Retirement of the Department of Management Services, the administrative agency for the FRS Pension Plan, provides full accounting and administration of benefits and contributions for the FRS Pension Plan. The Division of Retirement initiates actuarial studies, recommends benefit and contribution changes, and proposes rules for the administration of the FRS Pension Plan. The SBA is the administrator of the FRS Investment Plan. The State Legislature has the responsibility of setting contribution and benefit levels and providing statutory guidance for the administration of the FRS, as applicable.

## **B. Purpose**

The purpose of this Invitation to Negotiate (ITN) is to solicit competitive responses from qualified businesses (hereinafter referred to as Respondents or companies) offering Integrated Risk Management (IRM) software solutions to the SBA as described in Section II, Scope of Services.

Implementing a centralized IRM solution will enable the SBA to provide a technology platform that leverages a common data framework for managing risk, compliance, business processes, audit plans, recovery times and correlate this data for reporting and improved decision-making. Thus facilitating a holistic approach to risk management activities at the SBA. The IRM solution will create a more efficient structure for evaluating, managing and mitigating risks and identifying threats that might adversely affect the SBA.

The IRM solution is required at a minimum to include the following modules or capabilities:

- Enterprise Risk Management
- Internal Audit Management
- Business Continuity Management
- Vendor Management

The IRM solution must be fully integrated and allow for possible expansion in the future to add other modules or capabilities such as Information Technology/Information Security Management, Regulatory and Corporate Compliance Management, Incident Management and Policy Management. The SBA may purchase any of these additional modules at any time during or after implementation of this contract.

The SBA prefers a software solution that offers the purchase of modules separately but recognizes that some software solutions package all of the modules together and do not offer modules separately. Software solutions with both itemized and packaged modules will be considered.

The Respondent must provide an effective and structured approach to implement its proposed IRM solution. In this context, implementation refers to all efforts required to provide a complete functioning system and prepare the SBA to use it effectively. This includes technology and implementation planning, detailed design, interfaces, software integration, configuration, designing minimal software modifications, testing, training, assistance or guidance with data migration, end user and technical documentation, project management, and post-implementation warranty and support.

In response to this ITN, the successful Respondent will need to demonstrate exceptional credentials, and expertise in the implementation of IRM solutions. To be considered, each Respondent's proposal must meet the requirements set forth in Section IV, Response Requirements.

The SBA intends to enter into a contract with one Respondent. If a Respondent desires to work in concert with one or more other vendors, then each vendor must complete separately the services

questionnaire and the services affirmation statement set forth in this ITN in order for all vendors to be considered as Respondents for this engagement. The final fee and the basis thereof will be determined during contract review and negotiation.

The issuance of this ITN is merely the beginning of the negotiation process. Alternate means of accomplishing the requirements specified herein, with reasonable assurance of satisfactory results, will be considered and may be accepted, at the SBA's sole discretion, without further addendum to the ITN. The SBA may, in its sole discretion, enter into one or more contracts that include terms (including terms relating to pricing and services) that are materially different from the requirements of this ITN or the terms of any response submitted under this ITN. As a result, the SBA may consider any and all responses (including modifications to any response), any information obtained from oral interviews or on-site reviews (if any), the negotiation process between the SBA and one or more of the Respondents, or information from any other source or alternative in determining whether to enter into one or more contracts and the terms and provisions of such contract. Any contract that shall serve as the agreement between the parties will be developed through the negotiation process.

The SBA may enter into negotiations with the Respondent(s) in order to achieve the most effective plan. The SBA reserves the right to negotiate concurrently or separately with competing Respondents any time after the finalists are selected. The SBA reserves the right to accept portions of a competing Respondent's response and use such portions to form an overall program in the best interest of the SBA. Furthermore, the SBA shall have the right to use any or all ideas or adaptations of the ideas presented in any response received pursuant to this ITN. Selection or rejection of a response will not affect this right. The SBA reserves the right to reject any and all responses or portions thereof. The SBA reserves the right to withdraw this ITN or a portion of this ITN without selecting a vendor. The right of the SBA to set aside submitted proposals and re-negotiate with its existing vendors is retained without exception.

This document contains instructions governing the proposals to be submitted and the materials to be included therein, a description of services to be provided to the SBA, requirements that must be met to be eligible for consideration, general evaluation criteria, and other requirements to be met by each Respondent.

Responses to this ITN should be sufficiently detailed to demonstrate the Respondent's expertise, experience and capabilities to provide the requested services. The SBA reserves the right to withdraw this ITN or a portion of this ITN, at any time prior to the final award.

### **C. Minimum Qualifications**

**Respondents must be able to affirmatively respond to each of the following statements in order to be considered for the award:**

1. The Respondent must accept and enter into a written services contract as supplied by the SBA. Final language will be negotiated in the contract negotiation phase.
2. The Respondent must agree (by written affirmation) to provide the services as detailed in Section II, as well as agree to all other requirements as stated in the ITN.
3. The Respondent's key professionals and the organization must disclose any current, potential, or perceived conflicts of interest with the staff of the SBA or the members of its Board of Trustees.
4. Must have been in business for a minimum of five years providing IRM solutions and software and/or related services.
5. Must have successfully completed at least three IRM solutions implementations for public pension funds, investment management providers or financial institutions.

## **SECTION II – SCOPE OF SERVICES**

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## **A. Overview**

The SBA is seeking offers from experienced and qualified companies to implement an IRM solution in order to strengthen and mature risk management across the organization and promote a more risk intelligent culture.

The SBA has multiple departments that administer interrelated data from their respective independent viewpoints. In the absence of an integrated IRM solution, proprietary databases and spreadsheets have been developed. Each department uses their own information, which causes the SBA to lose the standardization required at an enterprise organizational level to effectively define a common set of requirements and data. These independent efforts have negative consequences:

- Competition for limited resources
- Duplication of work and uncoordinated/independent efforts resulting in inefficiencies
- Differences in procedural approaches and thought processes leading to gaps in the overall view and identification of risks

Given the evolving complexity of the SBA's risk landscape, these independent solutions no longer provide the most efficient means of identifying and analyzing the risk needs of the SBA. Additionally, we believe that effective collaboration and open dialogue will result in a more robust view of the entire risk landscape.

As currently envisioned, the IRM implementation will combine the data and processes of four key areas at the SBA: Enterprise Risk Management (ERM), Office of Internal Audit (OIA), Business Continuity Management (BCM) and Vendor Management.

### **1. Enterprise Risk Management**

ERM provides independent and objective oversight, coordination, and support to risk management processes at the SBA. Overall ERM data includes:

- Risk framework
- Risk ratings
- Risk owners
- Risk appetite
- Risk mitigation plans
- Business processes
- Controls that support risk management
- Control source
- Control verifications
- Key Risk Indicators (KRIs)
- Key Performance Indicators (KPIs)

### **2. Internal Audit Management**

OIA enhances and protects organizational value by providing stakeholders with risk-based, independent, objective and reliable assurance, advice and insight designed to add value and improve SBA operations. OIA data includes:

- Audit universe of business processes
- Process Owner
- Risk assessment
- Annual audit plan
- Audit programs
- Audit work papers
- Risk and control matrices, including objectives of a process, risks of meeting those objectives and key controls to mitigate those risks
- Tests of controls
- Issue monitoring

### **3. Business Continuity Management**

BCM focuses on identifying and prioritizing the critical processes and resources supporting the delivery of key products/services of the SBA. BCM data includes:

- Business processes and associated systems, applications, and criticality
- Process owner
- Departmental business continuity plans
- Incident management planning
- Risks
- Recovery Time Objectives (RTOs)
- Recovery Point Objectives (RPOs)
- Testing
- Business Impact Analysis

### **4. Vendor Management**

Vendor Management effectively evaluates SBA's strategic relationship with each vendor through a comprehensive assessment of risks, performance, and governance of each vendor through the entire vendor management life cycle. A robust risk management approach is used to evaluate and mitigate the risks associated with vendors. Vendor Management data includes:

- Business strategies for vendors
- Vendor performance metrics
- Vendor risk assessment
- Evaluation of vendor controls (e.g., review of System and Organization Controls and similar reports)

## **B. Shared/Overall Functional Requirements**

### **1. Business Model**

- Create a business model framework with hierarchy structure

- Link processes and risks to the business model

## 2. Process Library

- Library of Business Processes that can be linked to table values within multiple fields (e.g., controls, business units, business model, recovery time objective, vendor) and accessed across all modules/functions
- Create hierarchies in process categorization (e.g. processes and sub-processes)
- Label mission critical processes

## 3. Control Library

- Library of Controls that can be accessed and linked across all modules/functions
- Distinguish between control types (e.g. significant, key, non-major)
- Provision for a common definition of control types
- Supports COSO and ISO 31000 frameworks/standards
- Support for different control test methodologies (e.g., inquiry and observation; walkthrough; sampling and re-performing; sampling and examining documents, etc.)
- Capabilities to define the scope and extent of the tests (e.g., the size of the sample, population sampled from, selection basis, etc.)
- Perform multiple tests for one control
- Define the frequency of tests
- Perform rate testing of controls (e.g., satisfactory, unsatisfactory)
- Identify weaknesses in internal controls in terms of design as well as implementation (are they operating effectively)
- Provisions to record the test results or control ratings using a pass / fail rating
- Support the implementation of a framework to ensure compliance with risk management policies, controls and procedures
- Provide a management view of the processes related to controls
- Allow users to enter free-form text for control descriptions
- Provide a many to many relationship between risks and controls (e.g. risk linked to control, and the control is linked to another risk)
- Support definition of multiple controls for one and multiple risks
- Provide procedures when deficiencies in controls are identified; (compensating controls)

## 4. Business Unit Library

- List of Business Units that can be accessed and linked across all modules/functions (used to assign ownership of risks, processes, controls, etc.)
- Define process owners, control owners, and risk owners for each business unit

## C. Enterprise Risk Management Functional Requirements

### 1. Risk Library

- Risk library (register) and taxonomy used to classify and aggregate different types of risk exposures
- Create hierarchies in risk categorization (e.g. key risks, sub-risks) to facilitate risk aggregation measurement and reporting

- Define risk details (attributes)
- Define multiple root causes of risks
- Link controls from control library to root causes
- Link business processes from process library to risks
- Link risks to organizational strategic objectives
- Link risks to business units from business unit library
- Link KRIs/KPIs to risks

## 2. **Risk Appetite and Threshold**

- Define risk appetite in relation to identified risks
- Apply predetermined risk thresholds (appetite range) to each identified risk

## 3. **Risk Assessment**

- Assign risks to users from business unit library
- Define risk-scoring categories (e.g. impact, vulnerability, probability) and scales (e.g. 1-5 or Low, Low Moderate, Moderate, High Moderate, High)
- Provide an ability for multiple users to assign impact (inherent risk), vulnerability (residual risk), and probability ratings to each risk
- Provide an ability for multiple users to enter free-form text (comments) for each risk in the risk assessment
- Weight risk scores by user and aggregate at each risk level (e.g. sub-risk, key risk)
- Allow user to view KRI/KPI data associated with each risk during the risk assessment process
- Allow user to view controls associated with each risk during the risk assessment process
- Support for documentation of weighted based risk assessments
- Define and modify quantitative and qualitative risk assessment criteria, including possible values for risks, processes, locations, applications

## 4. **Sign-Off/Attestation**

- Enable senior management to sign-off on risk assessments and control ratings
- Provide automatic notification and signoff capabilities at various levels

## 5. **Reporting**

- Incorporate any field in the IRM solution in reports
- Automatic generation of trend reports, heat maps and statistics
- Generate status reports
- Customize/modify reports without additional costs
- Provide color coded reports and dashboards
- Provide trend analysis reports based on historical data
- Report on top risks by various parameters such as entity, risk type, etc.
- Publish reports as PDFs and ability to export reports to Excel and Word
- Graphics, including risk relationships, provide an at-a-glance view that can be drilled into for further detail

## 6. **Alerts and Notifications**

- Send automatic email notifications to specified users when tasks are assigned with hyperlink to the appropriate data-entry form
- Provide automated reminders of recommendations, implementation dates, etc. to risk managers/line of business managers, etc.
- Ability for administrator to reassign tasks to another user(s)
- Ability for user delegate tasks to another user(s)
- Show pending and overdue tasks
- Send periodic reminders as due date approaches and the method in which these reminders are sent, i.e. automatic, configurable, and/or manual

#### 7. Escalate Risks and Workflow Capability

- Escalate risks requested to designated entities
- Workflow tasks are captured in a complete audit trail
- Workflow tool capable of supporting both pre-defined and ad-hoc review and approval processes with multiple layers

#### 8. Other Risk Functionality

- Configurable hierarchies (expandable/collapsible)
- Import/export data from external sources
- Data roll forward capability
- Role-based views and applications

#### 9. Event Management

- Manage events arising from the risk/control assessment process
- Link event with other (i.e. loss data, Key Risk Indicators & Risk Control Self-Assessment) related issues and corrective actions
- Define action plan and to assign action plan to users and tracking until closure
- Keep track of status of outstanding management action plans and support action plan reporting by status (open, complete, risk accepted) and by responsibility, etc.
- Keep complete history of the action plans (e.g., completion date, extension, change in action plan, risk acceptance, etc.)

### **D. Internal Audit Management Functional Requirements**

#### 1. Audit Planning

- Create an Audit Universe and develop an annual operational plan based on risk assessments or other criteria
- Provide budgeting support for audit plans that will report on deviations from projected to actual project time
- Create a draft plan of the yearly audit schedule

#### 2. Electronic Work Papers

- Record at a minimum, the following information associated with each audit project:
  - System / Process description
  - Objectives

- Risks & mitigating controls
  - Tests to examine effectiveness of controls
  - Evidence obtained in performing the tests
  - Results from tests (i.e. finding information)
  - Recommendations
  - Management responses and agreed action plans for issues reported
  - Review notes and other correspondence
  - Audit sign-off
- Assign specific audit steps to individual auditor
  - Must provide two-way cross referencing between documents, and support point- to-point hyperlinks for Word, Excel, PowerPoint and PDF files
  - Print completed working papers, review notes, audit programs, and other electronic documentation created within the system
  - Provide flexibility to add/delete/modify audit steps in standard audit programs
  - Allow for search capabilities within audit findings, projects, and the document library
  - Create severity ratings and assign them to findings
  - Write review notes with links to targeted work papers
  - Must be able to attach scanned documents and annotate documents (Word, Excel, PowerPoint, and PDF) with standard tick marks/comments from within the application

### 3. **Audit Reporting**

- Automation of Audit working papers
- Provide standard reports for common inquiries such as audit planning, project tracking, outstanding issues, and timesheet reports
- Allow online review of audit work by line managers
- Easily customize the standard audit report and other ad-hoc reports
- Allow for custom reports to be saved in Word, Excel, or PDF formats
- Allow for distribution of reports via email
- Project management dashboard for tracking progress on all audit projects
- Customized audit reports
- Tracking of progress on closure of audit findings

### 4. **Audit Response & Tracking**

- Must provide on-line portal or reporting option that allows management responses to be automatically populated in the system
- Allow for customer surveys to be generated and feedback recorded
- Track and report on issues in a variety of ways including audit project, audit manager, or departmental area.

### 5. **Time Reporting**

- Track time for audit projects
- Capture time by project with the ability to report on actual versus budgeted time
- Track planned and unplanned hours for an audit assignment
- Generate administrative reports by auditor, completed projects and projects in-progress

## **6. Document Library**

- Must provide indexed and searchable repository for:
  - Standard audit programs and notifications
  - Policies and procedures
  - Tests, controls, and associated risks
  - Common findings
  - Include standard audit programs from COBIT, COSO, and other standards

## **E. Business Continuity Management Functional Requirements**

Plan and manage business continuity and crisis management processes aligned to key industry standards and frameworks. Ensure uninterrupted availability of all key business resources needed to support essential business activities.

### **1. Business Impact Analysis**

- Trigger Business Impact Analysis (BIA) surveys to identify critical assets and processes.
- Automate cumulative criticality scoring and calculations of recovery objectives.
- Map Recovery Time Objective (RTO) and Recovery Point Objective (RPO) dependencies
- BIA process should include but not be limited to the identification of the following information:
  - Mission-critical processes and functions
  - Recovery timeframes for each critical function
  - Resource requirements
  - Internal and external dependencies
  - Disruption scenarios applicable to each critical function
  - Quantify cost of disruption using risk modelling
  - Legal and Regulatory Information
  - Critical Records

### **2. Business Continuity Risk Assessment**

- Perform qualitative and quantitative assessments of business continuity risks impacting key processes and assets

### **3. Business Continuity and Recovery Planning**

- Create and maintain Departmental Business Continuity plans from pre-built templates (every time a template is updated, so are the associated plans)
- Link Departmental Business Continuity plans to business processes, critical IT assets, locations, and key contacts
- Define recovery tasks and timelines using Gantt charts

### **4. Plan Exercising**

- Test business continuity and recovery plans to check if the activities outlined are up-to-date
- Map the test results to related applications, and store them in a centralized register to support follow-up and completion of all identified problems

## 5. Crisis Management

- Implement workflows to declare, report, and follow a crisis to closure
- Track recovery steps across owners and locations
- Monitor risk profiles, control ownership, and assessment plans
- Record the crisis remediation status

## 6. Emergency Contact Information

- Create and manage emergency call trees and user distribution lists, as well as emergency notification templates

## 7. Issue and Action Management

- Manage, track, and close issues and actions triggered from risk assessments, plan exercises, and crises through workflows

## 8. Integration with Vendor Management

- Full integration with the Vendor Management module to conduct business continuity assessments, and analyze risks across vendors

## 9. Mobile Capabilities

- Create and publish business continuity plans that are available on mobile applications, (iOS, Android, and Windows platforms)

## F. Vendor Management Functional Requirements

### 1. Vendor On-Boarding

- Centralized database with basic vendor information to reduce redundant data entry and naming errors
- Identify criticality of vendors and the risks associated with them using intuitive and objective risk assessment criteria
- Vendor ID number that will link vendor to a single name, and be used across the entire system
- Support document storage and retrieval of vendor documents tied to a Vendor ID
- Include a forms and letters feature that will automatically generate forms and letters to be sent to external vendors, triggered by processing events
- Support the concept of a Vendor Directory, a listing of Vendors with services provided, status of pending requests (SOC reports, etc.), main office location, and key contacts
- Library of pre-defined reports available on-demand

### 2. Relationship Management and Re-qualification Process

- Aggregate key vendor information including profiles, subsidiary hierarchy, sub-contractor or fourth party relationships, contacts, facilities, contracts and engagements, financial statements, compliance, certificates of insurance, System and Organization Control reports, or other
- Scheduling and workflow for assignment of tasks (e.g., review SOC report)

### 3. Risk Assessments and Analysis

- Risk mitigation-centric approach to vendor management
- Risk-based vendor classifications
- Must support vendor scoring, ranking and tiering by risk criteria
- Pre-loaded questionnaires and templates the SBA can use to evaluate inherent and residual risk related to an established framework, for example:
  - Sustainability
  - Criticality
  - Information Security
  - Compliance/Litigation
  - Resiliency
  - Strategic Integration
  - Financial
- Provide for secure online vendor self-assessments
- Ability to import questions to supplement prebuilt assessments
- Calculate vendor risk ratings from assessment results and suggest next assessment dates
- Assess the nature and status of each finding, including the vendor response and appropriate mitigation procedures, and can track the status of remediation tasks
- Auto-calculate vendor tiers, risk ratings, next-scheduled review dates, and compliance monitoring status based on assessment results

### 4. Performance Review

- Evaluate and monitor the vendor relationship by tracking key performance indicators, Service Level Agreement (SLA) objectives and the status of deliverables
- Pre-defined vendor scorecards that indicate their performance against pre-defined SLA metrics to verify the vendor's quality of work, mitigate risks

## **G. Key Risk Indicators (KRIs), Key Performance Indicators (KPIs) and Dashboard Capabilities**

- Capture KRIs/KPIs for all key risks for various processes, including capture of source system, threshold and calculation methodology
- KRIs/KPIs monitoring process (including data collection)
- Capture KRIs/KPIs validation process and methodology to ensure effectiveness of KRI in measuring risk level
- Develop KRI specification and definition, such as purpose of KRI, usage of KRI, threshold and frequency of reporting, frequency of KRI data collection
- The dashboard should provide a periodic snapshot of a top down assessment of key risk, mitigation plans and effectiveness of controls
- Capture KRI monitoring and validation process to ensure effectiveness of KRIs
  - Automated dashboards/reports distribution
  - Generate dashboards using any available field
  - Restrict access to public/private dashboards per user role
  - Allow sharing of dashboards between users
  - Replicate default dashboard metrics for new users per user role

- Show Analytics and trending
- Allow reporting of exceptions at different departmental levels
- Be automatically refreshed, i.e. indicator results to be live or based on an automatic overnight refresh rather than manually run via reports
- Ability to document rationale, reason, background for an indicator result

## **H. System Requirements**

Respondents must propose a software-as-a-service (SaaS) solution to fulfil the requirements of this ITN. The SaaS solution delivery will allow data to be accessed from any device with an internet connection and web browser. In this SaaS model, the Respondent will host and maintain all servers, databases and code that constitute the application. The system must have an uptime of at least 99.5% as determined by the SBA. The following are minimal system requirements for the hosted SaaS solution:

### **1. Security & Authentication Environment**

The system must provide multi-factor authentication security.

The security features provided in the system and by the hosting facility should be compliant with the relevant industry recognized security standards.

Along with the specified requirements for privacy and security of information as described in this ITN the Respondent must have undergone a SOC 2 Type 2 or similar review over information technology services internal controls within the last 18 months. Please indicate whether there were any findings in this review. The successful Respondent will be required to have a SOC 2 Type 2 review, or similar, completed no less than annually.

### **2. Customization Capabilities**

The SBA's preference is that customizations to meet requirements be accomplished through configuration settings versus custom code. However, it may be necessary for the vendor to develop custom code solutions for specific requirements not supported by the system.

### **3. Data Storage**

All data stored by the SaaS provider must be secured in a manner, which prevents unauthorized access from internal and external parties. Data must be encrypted at rest.

### **4. Data Storage Location**

The solution must locate all stored data in the United States unless given express permission by the SBA. Unless express written permission is provided to the selected Respondent, all data must be stored within the United States. Selected Respondent is responsible for identifying the location(s) of applicable SBA data.

### **5. Business Continuity**

The solution must have a Business Continuity / Disaster Recovery plan. The plan should include details on backups, geographic redundancy, retention periods, and Recovery Time Objectives (RTOs). Backups that are stored offsite must be encrypted.

## **6. Transition Services**

The selected Respondent must provide transition services in any event requiring the transition to a different SaaS provider and/or to the SBA.

## **7. Data Retention/ Release**

In the event of termination of contract, all data will be returned to the SBA in a suitable standard format and wiped from the Respondents systems. This includes the removal of any backup data and an attestation that all SBA data has been removed from the Respondent's systems and that of their subcontractors or third party providers.

## **8. Browser Requirements**

The system should be capable of being accessed from any internet device, including mobile devices and be compatible with modern common browsers. The application must be able to run on all supported versions of Internet Explorer (IE), Chrome, Firefox and Safari.

## **9. Client Requirements**

The system should not require installation of applets or controls to run on a client.

## **10. Data Transfer**

All data transmitted between client devices and servers (data-in-transit) must be encrypted.

## **11. Data Ownership**

Unless there is a written agreement between SBA and the SaaS provider with regards to data ownership, all data is exclusively owned by the SBA and a written agreement is required if the SaaS provider will use the data other than the primary purposes of providing all agreed services.

## **12. Passwords**

The solution must allow for individual, unique passwords, preferably subject to standards that can be configured by the SBA.

The system must provide an automatic and configurable time-out facility to prevent users remaining logged in when their sessions are inactive.

## **13. Single Sign On (SSO)**

Ability to sign on using password authentication that is synchronized with the SBA's Active Directory (AD) services

## **14. Help Function**

The system will have a built-in help function.

## **15. Support Services**

Respondent should provide support services when needed and indicate hours of operation for such support services.

## **16. Performance**

- The solution's performance must scale with the number of concurrent users/sessions online.

- The solution should handle unexpected peaks in demand/usage

### **17. Role Based Access**

The IRM solution shall facilitate role-based user access within which SBA users will fall into three categories:

- Administrator (full access rights, including maintenance).
- Full User (authority to add/modify data and initiate advanced reporting capabilities and task assignments).
- View/Query User (authority to view data, respond to task assignments, and initiate advanced reporting capabilities).

The IRM solution should provide the following additional functionality:

### **18. User Set-Up, Access & Change Management Functionality**

The system will include the ability to define, allow, change, restrict, or deny user access and rights at the business process level by user ID and/or role, and the ability to track all user activity through the use of an activity log (i.e., a complete audit trail).

The system should provide report(s) detailing current user rights.

### **19. Workflow, Calendaring and Alerts Functionality**

Define event-driven and configurable workflows (e.g., automated kick-off or processes; reminders, triggers, and notifications; review and approval processes; and, dashboards of tasks and notifications) and the ability to generate automatic email reminders to end-users, and higher levels of management, as needed, using pre-defined escalation protocol.

### **20. Document Storage and Management Functionality**

Ability to function as a SaaS solution Central Data Repository for collecting and storing information about processes, objectives, identified risks, risk assessment results, current and planned mitigations/controls, which provides for confidentiality and availability of data.

### **21. Reporting Capabilities**

Ability to sort and report on risks and mitigations (e.g., by category, status, level of risk score, or any other captured quantitative or qualitative risk information), and the ability to produce summary and detailed reports by risk owner, business process, business unit, business division, and at the enterprise-level, through the use of standardized and customizable reports, dashboards, charts and maps.

### **22. Analytics Capabilities**

Ability to analyze risk data (e.g., quantitative analysis, trends, forecasts, KPIs, KRIs, etc.) with standardized and customizable analytics.

### **23. Workflow**

- Workflow-based processing to provide decision prompts, date reminders, and other automated triggering, tailored based on situation, user,

- Workflow “wizards” that launch when key dates or decisions are activated stepping user through the process.
- Provide role-based workflow management with a specific workflow manager workspace or interface that guides users through the various “activities” such as risk management process.
- Workflow prompts shall provide a recommended course of action, an option for a user-defined course of action, and an option to override the workflow action
- Provide an assignment feature to allow electronic notification and tracking of cross-department assignments and responsibilities during the execution of the workflow activities.
- Scheduling feature shall generate automated alerts in advance of scheduled activity dates, and escalation when dates have been missed with no response.

#### **24. System Integration**

The system will allow for or permit data to be exported in multiple formats (e.g. XML, XLS, CSV, Txt, etc.).

The system will provide an Application Programming Interface (API) to be used for potential integrations with other SBA systems.

#### **I. Technical Support**

Vendor will be required to provide technical support for the system including but not limited to the following:

- Technical helpdesk support available (Monday to Friday, 8 am to 6 pm, US Eastern Time Zone)
- Account management guidance and site configuration assistance
- System hosting to include the necessary software and hardware infrastructure to deliver the services
- Software updates released periodically to provide bug fixes and enhancements made to the existing functionality of the system

#### **J. Training and Documentation**

The selected respondent will be expected to provide training and documentation on the system as follows:

- Conduct initial hands-on training of selected SBA personnel
- Conduct initial training on administrative and technical design changes, configurability, and enhancements to the system, as applicable
- Provide additional resources, such as web-based training, an online knowledgebase, training materials and user guides.

#### **K. Client Service**

The selected Respondent client servicing philosophy is expected to be best in class and incorporate industry’s best practices. The SBA expects to be assigned a specific client services team who is knowledgeable, experienced, and responsive.

#### **L. Implementation Services**

The selected Respondent must provide implementation services which includes project management, change management, training, data migration, etc. Project Management shall be an ongoing task throughout the duration of this implementation. The vendor shall adhere to Project Management Institute (PMI) standards and shall provide an appropriately experienced Project Manager who will maintain responsibility for the successful delivery of all deliverables, milestones, tasks, services and solutions.

The Respondent should provide a fully defined, resource-loaded (vendor only) Project Schedule with tasks, dates, deliverables, milestones and associated effort to deliver the proposed solution. Project Management Responsibilities include but should not be limited to:

- Manage the Project in accordance with the Master Project Schedule
- Work with the SBA to provide stakeholders with the information and knowledge necessary for the implementation of new system
- Prepare and submit weekly Project status reports in an approved SBA format
- Participate in Steering Committee meetings, as needed
- Facilitate Project-related meetings as necessary to fulfill Contract responsibilities
- Identify and work collaboratively with the SBA to track/log, resolve, and manage risks, issues, decisions and action items
- Identify and work with the SBA to manage scope changes using an approved change control process

***This ITN is intended to provide Respondents with sufficient basic information to submit proposals meeting minimum requirements, but is not intended to limit a proposal's content or exclude any relevant or essential data. The SBA may consider alternative solutions and options proposed by Respondents. Respondents are encouraged to expand on the scope of services defined in this document that add service and value to the SBA.***

## SECTION III – REQUIRED INFORMATION

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The purpose of this section is to identify the information that should be submitted in response to the ITN, and the order in which it should appear in the proposal response package. Each proposal response package should include the following, in the order listed below:

### **A. Cover Letter**

The proposal shall contain a cover letter addressed to the designated contact identifying the Respondent's name and principal address. Provide the name, telephone number and email address of a person authorized to represent the Respondent regarding all matters related to the proposal. The letter shall explicitly affirm the following:

1. The Respondent has the current capability to provide the proposed services.
2. The Respondent has reviewed the minimum qualifications and meets the eligibility criteria set forth in Section I, Purpose and Background, subsection C of this ITN.
3. The Respondent has thoroughly reviewed the ITN.
4. The Respondent acknowledges and accepts all terms and conditions included in the ITN.
5. A person authorized to bind the Respondent to all commitments made in its proposal is the signatory of the letter.

### **B. Services Questionnaire**

The Respondent shall complete and submit the Services Questionnaire attached hereto as Appendix I. When completing the questionnaire, the Respondent must give clear, concise, complete replies to all questions, restating each question in bold face type and using no smaller than 12 point font, with its response directly below. The length of the response is at the discretion of the Respondent; however, responses are expected to be brief, to contain full and fair disclosure of essential elements, and should not be redundant or contain references to an appendix or attachment. Tables and graphs are exempt from the font requirement, but must be readable. Any omitted or incomplete responses may eliminate a Respondent from evaluation.

### **C. Service Requirements Affirmation Statement**

The response shall include a signed copy of the Service Requirements Affirmation Statement attached as Appendix II.

### **D. Financial and Other Information**

The response should include the Respondent's audited financial statements for the last three years. The financial statements must include the auditor's report and any management letters which have been issued. The response should include a copy of the most recent SOC 2 Type 2 or similar reports for services related to this ITN.

### **E. Fee Proposal (Separate Document)**

Respondents should utilize the Guidelines in Appendix III to submit their fee proposal. Any elaboration or explanation of the fee proposal shall be attached as a separate document. Respondents are encouraged to provide the SBA with their most competitive price offered to large institutions.

## SECTION IV – RESPONSE REQUIREMENTS

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The purpose of this section is to indicate the terms and conditions that will govern the submission and review of proposals made in response to the ITN. The Respondent(s) selected to provide services, as part of the ITN process, will be required to enter into a contract with the SBA.

### **A. Completeness**

A response must be complete as to all terms and conditions, including the appendices, on the date submitted. Additional information submitted after the response document or separate from the response document will not be considered unless specifically requested by the SBA and then only to the extent requested. Incomplete responses may be eliminated from further consideration.

### **B. Requests for Modification of a Response**

A Respondent to this ITN may withdraw and modify its response prior to the response deadline specified in “E” below, only upon prior approval by the SBA. A request for modification of any response must be in writing, addressed to Kimberly Calhoun at the delivery address set forth in “G” below, and must adequately explain the reasons for the request to modify the response. If the SBA approves the request, a modified response may then be submitted.

The SBA will not consider modifications offered in any other manner, whether oral or written. Under no circumstances may the Respondent modify a response unilaterally at a date or time subsequent to the response deadline specified in paragraph “E” noted below. The SBA may, however, permit any Respondent to modify its response after the deadline specified in E. below, if the SBA determines that such modification is in the best interests of the SBA.

### **C. Respondent Guarantees**

All terms and conditions submitted in response to the ITN (all parts) must be guaranteed to remain effective and may not be changed, amended, modified, qualified, or otherwise altered by the selected Respondent(s) for a period beginning on the date of the response filing deadline for this ITN, and ending at the conclusion of the contract.

### **D. Requests for Clarification**

All questions regarding the clarification of any requirement, standard, or question in this ITN because of any ambiguity, conflict, discrepancy, omission or other error, must be received by the SBA according to the schedule set forth in Section VI.

Requests for clarification should be sent via e-mail to [kimberly.calhoun@sbafla.com](mailto:kimberly.calhoun@sbafla.com) or to the delivery address, as provided in paragraph “G” below.

The SBA reserves the right to accept or reject any or all requests for clarification, either in whole or in part, and may require requests to be clarified or supplemented through additional written submissions. Respondents will be notified of the rejection of their request for clarification.

Oral requests for clarification will not be accepted.

Written requests for clarification accepted by the SBA, along with the corresponding responses, will be posted on the SBA website at [www.sbafla.com](http://www.sbafla.com) under “Vendors”. Respondents unable to download responses should direct their requests for hard copies via e-mail to [kimberly.calhoun@sbafla.com](mailto:kimberly.calhoun@sbafla.com), or the delivery address, as provided in paragraph “G” below. Such responses shall be considered an addendum to and, as such, an integral part of this ITN.

The SBA does not guarantee the validity or reliability of information obtained from other sources. If it becomes necessary to revise any part of this ITN, an addendum will be posted on the SBA website at [www.sbafla.com](http://www.sbafla.com) under “Vendors,” and may be provided directly to the Respondents/Finalists. The Respondent is responsible for checking the website for any addendums or updates.

#### **E. Response Deadline**

The response deadline for this ITN is 5:00p.m. ET, January 16, 2019. All responses must include the completed items listed in Section III of this ITN and be received per the timeline in Section VI. For the items listed in Section III, A, B, C and E, submit *ten (10)* bound copies of your response, an unbound original document and two electronic copies of your entire response in PDF format on a USB flash drive to [kimberly.calhoun@sbafla.com](mailto:kimberly.calhoun@sbafla.com). Information legitimately marked as “trade secret” can be submitted on a separate USB flash drive. For the item *listed in Section III, D only four (4) copies are required. Submit these responses to the premises of the SBA at the delivery address as provided in paragraph “G” below.*

All responses sent by postal or commercial courier services must be submitted in a sealed envelope or box and must be marked “**ITN for Implementation of Integrated Risk Management Solution**”. The SBA accepts no responsibility whatsoever for failure to deliver or late delivery by postal or commercial courier services or email servers. Failure by the postal or commercial courier services or email servers to meet the response deadline may result in disqualification. It is the Respondent’s responsibility to confirm receipt.

#### **F. SBA Not Liable for Respondent’s Cost**

The SBA shall not be liable or responsible for any costs incurred by any Respondent for preparing and submitting any response to this ITN, attending any oral interview or hosting any on-site visit, if necessary, or for any other activities or occurrences related in any way to this ITN on or prior to the issuance of a contract. The SBA shall pay the selected Respondent(s) after the execution of the contract in accordance with the compensation schedule agreed upon by the SBA and the successful Respondent. The SBA will not pay expenses and costs incurred outside the scope of the applicable compensation schedule.

#### **G. Delivery Address**

Kimberly Calhoun  
State Board of Administration of Florida  
1801 Hermitage Boulevard, Suite 100  
Tallahassee, Florida 32308  
Email: [kimberly.calhoun@sbafla.com](mailto:kimberly.calhoun@sbafla.com)

#### **H. Respondent's Responsibility**

Each Respondent should familiarize itself with the service requirements and the work to be performed before submitting a response. All responses shall remain valid and binding for at least 180 days from the date of submission.

#### **I. Oral Interview/Presentation**

Respondents that are selected as finalists in response to this ITN may be required to conduct an oral interview/presentation with respect to their responses to the SBA and demonstration of the proposed solution. At the oral interview/presentation, each selected Respondent will be given an opportunity to clarify or elaborate on its response. The SBA will determine the occurrence, date, time, and location of such interviews/presentations. The oral interview/presentation will be used to assess the capability in satisfying the requirements set forth within this ITN.

#### **J. Disclosure of Response Contents**

All material submitted by Respondents shall become the property of the SBA and will not be returned. Responses submitted may be reviewed and evaluated by persons designated by the SBA, in its sole discretion. Each Respondent understands and agrees that all documents and records made and received by the SBA in connection with this ITN or any official business of the SBA are public records and must be furnished and disclosed to any person under a request to inspect or copy such documents or records, pursuant to Chapter 119, Florida Statutes. If information is provided that could reasonably be ruled a "trade secret" as defined in Section 812.081, Florida Statutes, include such information in a separate attachment clearly marked – "Trade Secret Information." Include a table of contents within this attachment with a detailed listing of and explanation for EACH item marked as a "trade secret." Designation of items as "trade secret" by Respondents is not dispositive and does not guarantee that the items will not ultimately be disclosed pursuant to Chapter 119, Florida Statutes. Florida places a high priority on the public's right of access to governmental meetings and records. By submitting a response, each Respondent further understands and agrees that the SBA shall have the right to use any and all information, records, documentation, or items, including any derivation or adaptation thereof or knowledge gained thereby, presented by any Respondent in any response, during any oral presentation, or otherwise in connection with this ITN in negotiating and entering into any contract or for any purpose. The SBA shall have such rights regardless of whether the SBA enters into any contract with such Respondent or any Respondent under this ITN, successfully negotiates any contract with any Respondent, rejects any or all responses to this ITN, amends or withdraws this ITN at any time, or otherwise satisfies its needs through alternative means.

#### **K. Right to Amend and/or Withdraw**

The SBA, in its sole discretion, reserves the right to amend or withdraw this ITN at any time and for any reason. Issuance of this ITN in no way constitutes a commitment by or obligation of the SBA to enter into any contract, and the SBA may, in its sole discretion, reject all responses to this ITN for any reason whatsoever.

#### **L. Rejection of Responses**

The SBA will be the sole judge of the Respondent's responsiveness to the ITN and reserves the right to reject, in whole or in part, any or all responses, with or without cause, without incurring any liability whatsoever. The SBA may also waive any material or immaterial defect in a response or deviation from the requirements of this ITN. Any waiver exercised under this section will not modify any provision of this ITN.

#### **M. Contract Execution**

After selection of the finalists, the SBA will enter into contract negotiations with the selected Respondent to finalize terms, fees, and conditions. This ITN and the selected Respondent proposal, or any part thereof, may be included in and made a part of the final contract. The resulting contract and all attachments shall be considered a public document.

If, in the sole opinion of the SBA, an acceptable contract with the selected Respondent or Respondents cannot be reached, the SBA reserves the right to negotiate with the next preferred Respondent or to take any other actions, in its sole discretion, as contemplated by this ITN.

#### **N. Contract Term**

The contract term will be a maximum 5-year term with two 1-year renewals as agreed upon in the final executed contract. The contract term is not anticipated to commence prior to July 1, 2019.

#### **O. False or Misleading Statements**

Any response which contains false or misleading statements, or which provides references which do not support an attribute, condition, or capability claimed in the response document, will not be considered by the SBA if, in the opinion of the SBA, such false or misleading statement was intended to mislead the SBA in its evaluation of the response.

#### **P. Collusion**

By responding, the Respondent represents that the proposal is not made in connection with any competing Respondent submitting a separate response to the ITN and is in all respects fair and without collusion or fraud. It is further represented that the Respondent did not directly or indirectly induce any party to submit a false or sham proposal or to refrain from proposing. In addition, the Respondent represents that it did not participate in the ITN development process, had no knowledge of the specific contents of the ITN prior to its issuance, and that no employee of the SBA participated directly or indirectly in the Respondent's proposal preparation.

#### **Q. Conflicts of Interest**

The Respondent must disclose within its proposal whether any officer, director, employee, or agent is also a current or former employee of the SBA. All Respondents must further disclose any factors, financial or otherwise, known to them which may give rise to a conflict of interest between the Respondent and the SBA and its employees, or have the effect of impacting the ability of the Respondent to meet its responsibilities, duties, and obligations to the SBA, as set forth in this ITN.

#### **R. Quiet Period**

The Respondent (its agents, officers, principals, and employees, including any individual assisting the Respondent in this process) will not engage in any written or verbal communication during the "selection period" (defined below) with the SBA (including the Executive Director of the SBA,

the Evaluation Team, or any SBA employee, whether or not such individual or employee is assisting in the selection of the Respondent) regarding the merits of the Respondent, or regarding whether the SBA should retain or select the Respondent. An exception is given for the Procurement Manager and designated members of the Evaluation Team and Negotiation Team. Any unauthorized contact may disqualify the Respondent from further consideration. Normal business communications are allowed for current SBA service providers who are also ITN respondents.

The Respondent will not engage in any lobbying efforts or other attempts to influence the SBA, the Executive Director of the SBA, the Evaluation Team, or SBA employees, in an effort to be selected. Any and all such efforts made by the Respondent or its agents, officers, principals, employees, or lobbyists will be disclosed to the Executive Director of the SBA within five calendar days of its becoming known.

The "selection period" for this ITN begins on issuance of the ITN per the timeline in Section VI and will continue until the final selection has been announced or the selection process is otherwise concluded.

Nothing herein shall preclude the SBA from seeking clarification about the substance of the response to the ITN within the time frame as provided herein. Nothing herein shall preclude a Respondent from seeking a request for clarification as provided herein.

#### **S. Further Instructions and Conditions**

1. All responses to this ITN must conform to these instructions. Failure to conform may be considered appropriate cause for rejection of the response.
2. Terms and conditions of the ITN – Submission of a response indicates the Respondent's acceptance of the conditions contained in this ITN, unless clearly and specifically noted in the response submitted and confirmed in the contract between the SBA and the Respondent selected.
3. Conformance with statutes – Any contract awarded as a result of this ITN must be in full conformance with statutory and other legal requirements of the State of Florida.
4. Timing and sequence – The timing and sequence of events resulting from this ITN will be determined solely by the SBA.
5. Oral agreements – Any alleged oral agreement or arrangement made by a Respondent with the SBA or any employee of the SBA shall be superseded by the written contract between the SBA and such Respondent.
6. Amending or canceling requests – The SBA reserves the right to amend or cancel this ITN, prior to the due date and time, at its sole discretion.
7. Rejection for default or misrepresentation – The SBA reserves the right to reject the response of any Respondent that is in default of any prior contract, for misrepresentation or otherwise, as may be determined by the SBA (or its designee).
8. Clerical errors in awards – The SBA reserves the right to correct inaccurate awards resulting from its clerical errors.
9. Respondent's presentation of supporting evidence – A Respondent, if requested, must be prepared to present evidence of experience, ability, service facilities, and financial standing necessary to satisfactorily meet the requirements set forth or implied in its proposal.

10. Right to reject previous vendors – The SBA reserves the right to reject a proposal by a Respondent that has previously provided work to the SBA or whose personnel includes individuals previously rejected by the SBA for services.
11. Corrections and changes – Any corrections or changes to this ITN will be issued by the SBA, will be identified as a correction or change, and will be posted on the SBA website. Corrections or changes made in any other manner will not be binding. It is the responsibility of the Respondent to obtain all corrections and changes.
12. Dispute resolution – The contract shall not include binding arbitration provisions, such as those typically found in Alternative Dispute Resolution Procedures.
13. Respondent's credentials – The SBA may make such investigations, as deemed necessary, to determine the ability of the Respondent to perform the services specified in this ITN. The SBA reserves the right to reject any response if the evidence submitted by, or investigation of, the Respondent fails to satisfy the SBA that the Respondent is properly qualified to carry out the obligations of the contract.
14. Proposal content and format – In determining the capabilities of a Respondent to perform the services specified herein, the information required in this ITN must be provided by the Respondent and will be weighed by the Evaluation Team as indicated in the evaluation process. **(Note: Each requirement must be thoroughly addressed. Taking exception to any requirement listed in the ITN may disqualify the response.)**

## SECTION V – EVALUATION CRITERIA

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The responses to this ITN will be independently evaluated by an evaluation team (the “Evaluation Team”) on the basis of the written responses to this ITN and additional written information as requested. The score of each member of the Evaluation Team will be aggregated to establish an overall ranking to create a short list of Respondents to interview, if needed. If the Evaluation Team, in its sole discretion, decides not to do an interview, the overall ranking shall be used to identify the company selected to negotiate a final contract to implement an IRM solution. Additionally, oral interviews/presentations and on-site reviews will be evaluated by the Evaluation Team in the Evaluation Team’s sole discretion.

The Evaluation Team will utilize the following broad scoring categories:

Experience and qualifications of the Respondent’s organization/company	15%
Quality, clarity and responsiveness of the proposal	10%
Respondent’s personnel/professional staff experience, qualifications, specialized capabilities and expertise (including support)	10%
Respondent’s capability and resources to provide the functional requirements in the Scope of Services	35%
Implementation Approach	20%
Fee Proposal	10%
Total	100%

Responses will be assessed on a comparative basis reviewing the Respondent clearly identifying all costs associated with the implementation and the final overall cost proposal.

The Evaluation Team will review the responses and assign an initial score for each category for each Respondent. The initial scoring by each member of the Evaluation Team will be aggregated to establish an overall ranking by the Evaluation Team. Using the initial scoring and evaluation process, the Evaluation Team will designate firms companies for oral interviews/presentations and/or to host site visits.

Commitments made by the Respondents at the oral interviews/presentations will be considered binding. The final scores for the Respondents will be compiled by using information and materials obtained during oral interviews/presentations and site visits. This final scoring may take into consideration any such information, evidence, capabilities or revisions to services that, in the judgment of the SBA, demonstrate a finalist as being best qualified to provide the necessary program services to the SBA.

The SBA will select a separate Negotiation Team to evaluate service levels, fee proposals, terms of performance and other contract terms within the context of the Respondent’s complete response (i.e., written response, additional written information submitted by the Respondent, and presentations), and any other information available to the Negotiation Team from any other source. Subsequent negotiation is expected to take place upon the selection of the finalist.

The Negotiation Team will present the final scores and/or rankings and a recommendation to the Executive Director. The Executive Director shall have the sole authority, in his discretion, to determine whether the SBA will enter into any agreement with any Respondent and to make all final decisions regarding the matters contemplated by this ITN.

**The SBA will not be required to select the lowest-cost Respondent.**

## SECTION VI – TIMELINE

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### **ITN Time Schedule and Deadlines (by 5:00 pm Eastern Time Zone)**

<b>Issuance of ITN</b>	November 5, 2018
<b>Vendor Requests for Clarification</b>	November 15, 2018
<b>Responses to Requests for Clarification</b>	November 30, 2018
<b>ITN Response Deadline Date</b>	January 16, 2019
<b>Selection of Finalist(s)</b>	January 31, 2019
<b>Interviews/Presentations at SBA</b>	Week of February 18, 2019
<b>Final Selection by SBA</b>	February 27, 2019

Note: The SBA reserves the right, in its discretion, to change the ITN Timeline. Changes will be posted on the SBA website under “Vendors,” and may be provided directly to the Respondents/Finalists.

## **Appendix I: Services Questionnaire**

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Responses to each item/question below should appear in the same order as listed in this ITN. For responses to both General Questions and Other Questions, please restate, in bold type font, each item/question at the beginning of an answer. Responses to all items/questions should be limited to no more than forty (40) pages in total, using 12 or larger type font. The SBA requires direct answers to each item and does not require generalized marketing information.

### **A. General Questions**

1. Company Background
  - Company name:
  - Contact person (name, title):
  - Address:
  - Telephone /fax:
  - E-mail /website:
2. Describe your company, how it is organized and the resources it has available to perform the services as generally defined in this ITN. Describe the ownership structure, including subsidiary and affiliated companies, and joint venture relationships. Has there been, or is there planned, any material change in ownership or structure?
3. Describe any experience your company has in providing similar services to other large public pension funds, investment management providers or financial institutions within the last three years. Where possible, provide the name, address, and phone number of the client and key contact.
4. List the names and titles of the professionals who would be involved in the implementation of this project. Include credentials, specific experience, any special expertise, and information concerning the education, position in your company, and years with your company.
5. Provide an executive summary which identifies any services to be provided which are beyond those specifically requested. If your company proposes to provide services that do not meet the specific requirements of this ITN, but in the opinion of your company are equivalent or superior to those specifically requested, any such differences must be expressly noted. However, the company should recognize that a proposal that does not respond to the specific services requested might be subject to disqualification.
6. Describe why your company's service offering is superior to the services offered by your competition. Clearly define your competitive advantages in this function. Describe in detail the extent to which your company's service offering will meet the requirements listed in the Scope of Services Section.
7. Describe your company's proposed implementation and project management methodology, including but not limited to data imports, system configuration, quality

assurance/testing, change management, system acceptance process, training, and production system deployment. Describe in detail the base-line assumptions regarding data formats and pre-existing information that will be factored into the implementation. Please provide an estimate of the implementation timeline. Describe in detail what personnel and expertise is expected from the SBA during the implementation process.

8. Describe any litigation relating to the business or other activities of your company which either began within the last two years or which began earlier and is still ongoing or has been threatened but is not currently pending. Indicate whether your company in general or specific officers or principals, in particular, has or have been sued or threatened to be sued within the time frame set forth above. Provide detail regarding the allegations of the complaint, whether multiple parties are involved and the current status including any discovery (e.g., document production or depositions), preliminary hearings, scheduled dates for mediation, arbitration, or trial. If the matter is on appeal, provide details on the current status (e.g., briefs filed, oral argument scheduled).
9. Describe the levels of coverage for errors and omissions insurance and/or professional liability insurance your company carries. List the insurance carriers, insurance type, and coverage amounts.
10. Explain in detail any potential for conflict of interest that would be created if your company provided services for the SBA. Include any activities of affiliated, subsidiary or parent organizations as well as other client relationships that might inhibit services to the SBA. Please disclose any business relationships and/or financial arrangements with any compliance system provider or investment manager that currently provides, or might be eligible to provide, compliance or investment management services to the SBA.
11. Indicate whether your organization has suffered a cybersecurity breach or incident within the last five years. If so, please describe the incident and whether any account information, Personally Identifiable Information (PII), Protected Health Information (PHI) or any other confidential or sensitive information was accessed, stolen or otherwise misappropriated or compromised.
12. Provide any other information that you believe would be of value to the SBA in the selection process.
13. The SBA supports and encourages diversity and participation of small and minority business enterprises in contracting. In order to identify minority or woman-owned businesses or other companies which actively pursue providing opportunities to women and minorities, provide the following information. Indicate if your company is a minority-owned business or a woman-owned business and identify the principal shareholders who qualify your company. Indicate the percentage of professionals within your company who are minorities or women and list the number and positions of such professionals. Provide a list of the names and positions of any minority professionals who will be working under this contract. Provide a brief description of your company's minority hiring/affirmative action program.

14. Discuss your cyber incident management plan and communication plan as well as your disaster recovery and business continuity capabilities.
15. Discuss the process for vetting and monitoring significant third party service providers that provide critical data storage, backup, disaster recovery or cloud-based solution services or are otherwise significant in supporting the infrastructure or processes related to your IRM solution product and support services.
16. The intent of the following question is to enable the SBA to have a full understanding and assessment of your SaaS solution (some if the areas may be duplicative from Section II Scope of Services. Describe the following components of your SaaS environment:
  - a) Infrastructure  
Describe your infrastructure architecture, including information on multi-tenancy, redundancy, scalability, and the role and location of any cloud services providers you use in delivering the solution.
  - b) Service Level Agreements  
Describe the full set of your standard SLAs such as system availability, transaction time, storage, and performance; provide metrics on your SLA performance over the past year
  - c) Data Management  
Detail the level of control customers have in managing their own data and how data can be extracted, extract formats, and frequencies (e.g. on-demand, daily, monthly, quarterly, etc.)
  - d) Software Update Process  
Describe your process for implementing software updates, new elements or changes, including the customer notification/communication, SLAs related to the process, customization migration, and any role the customer is asked to perform in the update process
  - e) Business Continuity Planning  
Describe your company's disaster recovery infrastructure, plan, and processes, including Recovery Time Objectives (RTO) and Recovery Point Objectives (RPO), the frequency of testing and the results of your last test
  - f) Security and Compliance Requirements  
Describe your SaaS environment security, including logical and physical access controls, data encryption methods, multi-factor authentication methods, personnel background checks, and any published security standards you comply with and are audited against
  - g) Configuration

Describe the configurable aspects of your solution capabilities which can be achieved through system settings rather than custom code

h) System Integration

Describe your company's system integration capabilities, including API resources, security features and cost model

i) Transition Services Plan

Detail your Transition Services Plan including all operational and organizational components, and specifically the method of data transfers, supported data file formats and related data dictionaries

## **Appendix II: Service Requirements - Affirmation Statement**

Appendix II requires that proposal Respondents clearly indicate their acceptance of the various service requirements listed by checking off the accompanying box. A clear explanation must accompany any item for which an affirmative representation cannot be made.

An individual authorized to bind the proposing institution to these service requirements must sign and date the affirmation of service requirements in Appendix II. A signed copy of this exhibit and any explanations must accompany submitted responses.

By inclusion and execution of the statement provided herein, each Respondent shall certify that:

- ❑ The selection of the Respondent will not result in any current or potential conflict of interest with the SBA or a participating insurer. Alternately, should any potential or existing conflict be known by the Respondent, the proposal shall specify the party with which the conflict exists or might arise, the nature of the conflict and whether the Respondent would step aside or resign from that engagement creating the conflict.
- ❑ The proposal is made without prior understanding, agreement, or connection with any corporation, Respondent, or person submitting a proposal for the same services, and is in all respects fair and without collusion or fraud.
- ❑ The selection of the Respondent will not violate Section 215.684, Florida Statutes, which prohibits the State from selecting certain providers that have been convicted of or entered a plea of nolo contendere to fraud within a period of two years of such conviction.
- ❑ The Respondent and the agents, officers, principals, and employees thereof have not and will not participate in any communication prohibited in this ITN.
- ❑ The Respondent's responses to the ITN are those of the Respondent and have not been copied or obtained from any other Respondent responding to any other ITN or competitive proposal whether in Florida or elsewhere either in the past or present.

*The Respondent hereby agrees to abide by all conditions of this ITN for an Integrated Risk Management solution, and I hereby certify that all information provided in this response is true and correct, that I am authorized to sign this response for the Respondent, that I am authorized to bind the Respondent to all commitments made in its proposal, and that the Respondent is in compliance with all requirements of this ITN.*

\_\_\_\_\_  
Authorized Signature (Manual)

\_\_\_\_\_  
Name and Title (Typed)

\_\_\_\_\_  
Date (Typed)

## APPENDIX III: FEE PROPOSAL

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### A. Fee Proposal

Each Respondent is required to submit a separate fee proposal with their response. Including all necessary expenses needed to implement the IRM solution based on the Scope of Services. All prices quoted by the Respondent must be fully itemized, in US Dollars, and inclusive of all taxes. The SBA expects to contract with the Respondent on a Fixed Price basis for all components of the IRM solution including:

- *Hosting fees*
- *All user-based license fees required to use the Respondent's product(s) by user level*
- *All user-based license fees required to use third-party products supplied by the Respondent*
- *Fees per module necessary to support Enterprise Risk Management, Vendor Management, Business Continuity, and Internal Audit Activities described in this ITN*
- *Implementation services*
- *Training fees*
- *Hourly rate for Customizations outside an annual pool of hours*
- *Annual fee for a pool of support hours related to customizations, report build, etc.*
- *Annual fee for on-going maintenance and support for the Solution, Year 1*
- *Annual fee for on-going maintenance and support for the Solution, Years 2, 3, 4 and 5*
- *Any fees associated with upgrades (e.g. version upgrades) including anticipated frequency*
- *Any miscellaneous fees*