



OFFICE OF THE ILLINOIS STATE TREASURER
MICHAEL W. FRERICHS

Request for Proposals
PCI DSS Audit and Compliance Services
370-300-17-005

May 5, 2017

Proposals due by 12:00 p.m. CT on May 25, 2017

Mr. Jim Underwood
Chief Procurement Officer
400 West Monroe Street, Suite 401
Springfield, IL 62704

Office of the Illinois State Treasurer
Request for Proposals
Electronic Payment Processing Services
370-300-17-005

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I. OVERVIEW

The purpose of this Request for Proposals (“RFP”) is to invite qualified service providers (“Respondents”) to prepare and submit a proposal (“bid” or “Proposal”) to provide the following professional consulting services related to payment card industry data security standards (“PCI DSS”) for the Office of The Illinois State Treasurer (“Treasurer”) and other State of Illinois state agencies (“State Agencies”), in accordance with the requirements defined throughout this RFP: (1) compliance services performed by a qualified security assessor (“QSA”), (“PCI QSA Compliance Services”) and (2) PCI approved scanning vendor services, (“PCI ASV Services”). This RFP also includes optional requests for Payment Application Data Security Standards Services (“PA DSS Services”) and PCI qualified integrator reseller evaluation services (“PCI QIR Evaluation Services”).

The Treasurer is issuing this RFP to award a master contract to a qualified PCI service provider (“Contractor”), thereby allowing for expedited PCI contract execution between said Contractor and State Agencies. The participating state agencies currently are anticipated to include the Treasurer, the Office of the Illinois Secretary of State, and the Illinois Department of Central Management Services (“Participating Agencies”), but additional State Agencies may be added. The Contractor shall enter into a master contract with the Treasurer (“Agreement”) and ordering agreements with each of the Participating Agencies (“Ordering Agreements”), including the Treasurer, as requested by the Participating Agencies and approved by the Treasurer.

II. BACKGROUND

Pursuant to Section 17 of the State Treasurer Act, 15 ILCS 505 *et seq.*, the Treasurer offers an electronic payments program (“E-Pay”) to units of State and local government. E-Pay is a secure, electronic payments processing program that allows units of State and local government that enroll in E-Pay to accept credit cards, debit cards, and E-check payments from their constituents (“Customers”). E-Pay allows Customers to make payments using any of the major card brands (Visa, MasterCard, Discover and American Express) or an E-check. Payment channels include the Internet, telephone or point-of-sale (“POS”) card terminals or virtual terminal software payment solutions.

All solutions must adhere to prevailing credit card rules and regulations, including the Local Government Acceptance of Credit Cards Act, 50 ILCS 345/1 *et seq.*, and PCI DSS. Because State Agencies that use E-Pay must also obtain related PCI DSS and PA DSS compliance services, the Treasurer’s intent in issuing this RFP for a master contract is to address this need by making such compliance services available to State Agencies in an efficient manner that is tailored to each State Agency’s needs and interests.

The overall objective of the RFP is to select a service provider to assist State Agencies enrolled in E-Pay in establishing the most cost effective and efficient procurement program for PCI QSA Compliance Services and PCI ASV Services while maintaining high standards of quality and service. As set forth herein, the RFP also requests, as

optional components of the proposals, PA DSS and PCI QIR Evaluation Services proposals. With that intent, the Treasurer is interested in evaluating the costs and benefits of several alternative methods for acquisition of PCI QSA Compliance, PCI QIR Evaluation Services, and PCI ASV Services to all Participating Agencies.

III. SCOPE OF SERVICES

The Contractor will be required to provide all of the services listed in Sections III.A and III.B of this RFP that are requested by Participating Agencies. If the Contractor submits a proposal for the optional PA DSS and/or PCI QIR Evaluation Services, then the Contractor will also be required to provide all of the services listed in Sections III.C and III.D of this RFP (as applicable) that are requested by Participating Agencies. All PCI-related services provided by Respondents must adhere to the most current version of the relevant PCI standard.

A. PCI ASV Services

1. Provide PCI DSS validated internal network scanning, vulnerability assessments, and associated remediation advisory services.
2. Provide PCI DSS validated internal network penetration testing and associated remediation advisory services.
3. Provide PCI DSS validated external network scanning, vulnerability assessments, and associated remediation advisory services.
4. Provide PCI DSS validated external network penetration testing and associated remediation advisory services.
5. Provide PCI DSS validated web application vulnerability assessments and associated remediation advisory services.
6. Provide PCI DSS validated web application penetration testing and associated advisory services.
7. Provide PCI DSS validated network segmentation testing, vulnerability assessments, and associated advisory services.
8. Provide reporting on any of the above services necessary to meet applicable PCI DSS ASV reporting requirements.
9. Provide an online portal that allows user access to: (a) initiate internal and external scans on demand; (b) schedule internal and external network scans; (c) retrieve internal and external network scan results; (d) retrieve remediation advisory documents associated with services provided; (e) submit disputes for results of services provided; and (f) retrieve certificates of completion for services provided.

B. PCI QSA Compliance Services

1. Provide PCI DSS Self-Assessment Questionnaire training, support and review for merchants and service providers.
2. Provide PCI DSS advisory services for merchants and service providers.
3. Provide PCI DSS gap analysis for merchants and service providers.
4. Provide PCI DSS onsite audits resulting in a Report on Compliance for merchants and service providers.
5. Provide PCI DSS remediation advisory services for merchants and service providers.
6. Provide review of security policies related to PCI DSS Compliance.
7. Provide merchant and service provider risk assessment advisory services.
8. Provide consulting and advisory services for the development and implementation of PCI environments, applications, and services.
9. Provide onsite and/or remote PCI training for merchants and service providers.
10. Provide any other QSA services necessary to conform to PCI standards and approved by the Treasurer that are not specifically mentioned in this RFP.
11. Provide data breach insurance coverage for any of the above-provided QSA services with limits approved by the Treasurer; such insurance coverage shall be with a sound, reliable insurance company with an above average Best's rating and shall remain in effect throughout the contract term.

C. Optional PCI QIR Evaluation Services

1. Provide PCI DSS qualified installation and configuration of PA DSS validated payment applications, including the provision of a QIR Implementation Statement that details the PCI DSS risks and implications of said installation.
2. Provide PCI DSS qualified installation and configuration of other applicable payment services, including the provision of a QIR Implementation Statement that details the PCI DSS risks and implications of said installation.
3. Provide ongoing remote and/or onsite troubleshooting, updates, and support for qualified installations as engaged.

4. Provide any other QIR services necessary to conform to PCI standards and approved by the Treasurer that are not specifically mentioned in this RFP.
5. Provide data breach insurance coverage for any of the above-provided QIR services with limits approved by the Treasurer; such insurance coverage shall be with a sound, reliable insurance company with an above average Best's rating and shall remain in effect throughout the contract term.

D. Optional PA DSS Services

1. Provide PA DSS gap analysis.
2. Provide PA DSS onsite compliance audits to ensure sensitive data is secure as it is stored, processed, and transmitted by payment applications.
3. As part of PA DSS onsite compliance audits, create a formal PA DSS Report on Validation ("ROV") including an Attestation of Validation.
4. Provide sufficient and adequate documentation within the ROV to demonstrate the payment application's compliance with PA-DSS.
5. Submit ROVs to the PCI Security Standards Council ("PCI SSC") for approval.
6. Provide all PA DSS remediation advisory services necessary to comply with applicable standards.
7. Review security policies to ensure compliance with PA DSS standards and requirements.
8. Provide consulting and advisory services for the development and implementation of PA DSS payment applications.
9. Conduct formal PA DSS assessments that verify the PA-DSS payment application is properly configured and securely implemented, in accordance with PA DSS requirements.

E. Certifications

In order to provide any of the services outlined in this RFP, the Respondent must be certified by the appropriate governing body to provide PCI DSS ASV services, PCI DSS QSA services, PA DSS services, P2PE Encryption Assessment services, and/or PCI QIR Evaluation services, as applicable. The relevant certification(s) must be kept current and filed annually with the Treasurer for the term of this RFP. Reprimands and/or certificate revocations by the PCI Security Standards Council ("PCI SSC") can result in disqualification.

IV. RFP PROCESS AND SCHEDULE

This Section outlines the process and schedule for this RFP.

A. Schedule

The following is the schedule for this RFP:

Date	Event
May 5, 2017	RFP published on the Treasurer's website.
May 10, 2017	Notice of intent to participate in the Bidder's Conference due by 10:00 am CT.
May 10, 2017	Optional Bidder's Conference at 11:00 a.m. CT.
May 15, 2017	All Respondent questions due by 10:00 a.m. CT.
May 19, 2017	Responses to all questions posted on the Treasurer's website.
May 25, 2017	Proposals due by 12:00 p.m. CT.
Week of May 29, 2017	If applicable, interviews.
June 2, 2017	If applicable, best and final offer due by 12:00 p.m. CT.
Week of June 5, 2017	Notification of award and begin negotiation of Agreement.

These dates are subject to change at the Treasurer's discretion.

B. Contact information

The Treasurer's Chief Procurement Officer ("CPO") is the sole point of contact concerning this RFP.

Respondents should submit questions about the intent or content of this RFP and request clarification of any and all procedures used for this procurement prior to the submission of a Proposal. Respondents must submit their questions in writing by e-mail to the CPO, Jim Underwood, at junderwood@illinoistreasurer.gov by 10:00 a.m. CT on May 15, 2017.

C. Optional Bidder's Conference

Each Respondent must e-mail notice of intent to attend the Bidder's Conference to Jim Underwood at junderwood@illinoistreasurer.gov by 10:00 a.m. CT on May 10, 2017. Attendance at the Bidder's Conference is optional, and may be attended via teleconference. Teleconference details will be provided to interested parties who email a notice of their intent to participate by teleconference. The Bidder's Conference shall be on May 10, 2017 at 11:00 a.m. CT at the following address:

400 W. Monroe Street, Suite 401
Springfield, IL 62704

D. Proposal Submittal

All Proposals must be submitted by mail or messenger to the following address, no later than 12:00 p.m. CT on May 25, 2017:

Mr. Jim Underwood
Chief Procurement Officer
400 West Monroe Street, Suite 401
Springfield, IL 62704

E. RFP Process

1. Internet/E-mail Communications

The Treasurer may also communicate with Respondents via e-mail. Each Respondent should provide an e-mail address with its response for ease of communication throughout this RFP process.

2. Oral Communications

Any oral communication from the Treasurer's employees or its contractors concerning this RFP is not binding on the Treasurer, and shall in no way alter a specification, term, or condition of this RFP.

3. Amendments

If it is necessary to amend this RFP, the Treasurer will post amendments on its website at www.illinoistreasurer.gov.

4. Respondent's Costs

The cost of developing a response to this RFP is each Respondent's responsibility and may not be charged to the Treasurer.

5. Withdrawal of Proposal

Respondent may withdraw its Proposal at any time prior to the deadline for receipt of Proposals. The Respondent must submit a written withdrawal request,

addressed to the CPO and signed by the Respondent's duly authorized representative.

6. Modification of Proposal

A Respondent may submit an amended Proposal before the deadline for receipt of Proposals. Such amended Proposal must be a complete replacement for the previously submitted Proposal and must be clearly identified as such in the transmittal letter to the CPO.

7. Proposal is a Firm Offer

A Proposal submitted response to this RFP is a firm and binding offer, valid for 180 days after the due date for Proposals or the due date for the receipt of a best and final offer, whichever falls later.

8. Proposal is State Property

On the Proposal due date all Proposals and related materials submitted in response to this RFP become the property of the State of Illinois.

9. Proposal is Part of a Public Procurement File

All Proposals received by the Treasurer will be open to the public, though a Respondent may request that the Treasurer treat certain information as confidential in accordance with 44 Ill. Admin. Code §1400.2505. If Respondent requests confidential treatment of any information it considers to be exempt from public disclosure under FOIA or other applicable laws and rules, Respondent should submit a Redacted Copy, which copy shall be clearly identified as the "Redacted Copy." In a separate attachment to the Redacted Copy, Respondent shall supply a listing of the provisions of the Proposal, identified by section number, for which it seeks confidential treatment, identify the basis of each claimed exemption and show how that basis applies to the request for exemption in accordance with 44 Ill. Admin. Code §1400.2505(l). The Redacted Copy must retain as much of the Proposal as possible.

A request for confidential treatment will not supersede the Treasurer's legal obligations under FOIA. The Treasurer will not honor requests to keep entire Proposals confidential, and will in any event disclose the successful Respondent's name, the substance of the Response, and the price.

10. CPO May Cancel the RFP

If the CPO determines it is in the Treasurer's best interest, he reserves the right to do any of the following:

- a. Cancel this RFP;
- b. Modify this RFP in writing as needed; or
- c. Reject any or all Proposals received in response to this RFP.

V. PROPOSAL

This Section provides the required elements for Respondent's Proposal.

A. Proposal Format

All Proposals must be submitted within the prescribed format to facilitate objective review. Any Proposal that materially deviates from this format will be rejected without further consideration of its content. Proposals that contain false or misleading statements or that provide references that do not support an attribute or condition claimed by the Respondent may also be rejected. Narratives should provide a concise description of capabilities to satisfy the requirements of this RFP. Emphasis should be on clarity, brevity and completeness of response. The following sections must be provided in the Proposal and labeled accordingly.

1. Cover Letter — The Proposal must be accompanied by a transmittal letter that designates the name, physical address, e-mail address, and the telephone number of the person or persons available for contact concerning the Proposal and who is authorized to make representations on behalf of the Respondent's organization.
2. Table of Contents — Include a listing of the main chapters and paragraph headings contained in the Proposal, including page numbers.
3. Introduction — Include any introductory remarks, not to exceed three (3) pages, deemed appropriate. Briefly discuss such topics as the Respondent's background, management, facilities, staffing, related experience and financial stability.
4. Scope of Work — Provide a narrative, not to exceed five (5) pages, describing the general conceptual approach to the delivery of specific services and any other information Respondent believes is relevant.
5. Answers to Questions — Respondent must respond to all of the questions. Respondent's answers must include the headings (e.g. "Background and Experience") and be numbered in the order provided in Section V.B of this RFP.
6. Service Team — Provide an organizational chart, brief biographies, and resumes for the proposed Service team, including support staff. Please identify the primary contact person and describe the role of each key person.
7. Subcontractors — Provide a list of the subcontractor(s) Respondent will use for the Services, if any and the general type of work to be performed by each subcontractor.
8. Unique Capabilities — Provide a summary not to exceed five (5) pages of any unique expertise, products or services that distinguish your institution.

9. State Certifications and Disclosures — Respondent and any subcontractor(s) must submit the following three (3) fully executed documents: Illinois State Treasurer Certifications, Disclosures Financial Interest and Potential Conflicts of Interest (Disclosure Form A), and the Disclosures Other Contract and Procurement Related Information (Disclosure Form B).
10. Cost Proposal — Respondent’s price (“Cost Proposal”) shall be provided in a separately sealed envelope.
11. Redacted Copy — If the Proposal contains any information that Respondent considers to be exempt from public disclosure under the Illinois Freedom of Information Act (“FOIA”) (5 ILCS 140) or other applicable laws and rules, Respondent should submit in a separately sealed envelope an additional copy of the Proposal with proposed confidential information redacted, as detailed in Section IV.E.9 of this RFP (“Redacted Copy”).

Proposals must be submitted in a sealed envelope or package bearing the title “PCI DSS Audit and Compliance Services Proposal for the Office of the Illinois State Treasurer” and the Respondent’s name and address. The package must include one (1) original and nine (9) copies of the Proposal. A separate envelope must contain one (1) original and nine (9) copies of the Cost Proposal. If confidentiality of any information is asserted, one (1) Redacted Copy should be provided in an additional separate envelope. In addition, please provide three (3) electronic copies of the Proposal, three (3) separate electronic copies of the Cost Proposal, and, if confidentiality of any information is asserted, one (1) electronic Redacted Copy. Each electronic Proposal copy, each electronic Cost Proposal copy and, if submitted, the Redacted Copy shall be on a separate electronic storage device, such as a CD or thumb drive.

B. Questions to be Addressed in the Proposal

Respondents shall provide answers to the questions listed below in this Section V.B. Note that questions listed under the sub-headings “PCI QIR Evaluation Services” and “PA DSS Services” below, are optional and only need to be responded by Respondents bidding on these optional services.

General

1. Please provide Respondent’s name, and the name, title, address, phone number, fax number, and email address of the individual who will be our primary contact.
2. Please provide the address and website of the Respondent’s headquarters and all branch offices.
3. Please provide three (3) client references, current or past, and state the organization’s name, their website (if any), a point of contact, physical address, telephone number, e-mail address, and the scope of work you provided.

4. Do the members assigned to the team that will conduct QSA, ASV, and, as applicable, QIR, have a solid background in one or more of the following activities: audit, IT compliance, IT risk management, vulnerability management? Include profiles and relevant experience of key staff and management personnel.
5. Does your company have a certified security professional (Certified Information Systems Auditor (“CISA”) or Certified Information Systems Security Professional (“CISSP”) with Qualified Data Security Professional (“QDSP”) training) who will provide on-site direction of the process during the scope of the engagement? Include profiles and relevant experience relevant personnel.
6. Is your firm currently in, or has your firm at any time been in, remediation status with the PCI SSC? Please note the date, duration and high level cause or causes for the remediation status and any related review, including but not limited to a Quality Assurance (“QA”) review.
7. Has Respondent been a party to any lawsuit since January 1, 2015? If yes, please explain.
8. Discuss Respondent’s corporate governance compliance practices.
9. Describe Respondent’s risk management practices and internal controls to ensure adherence to applicable federal and state laws, regulatory agency guidance, and industry best practices.
10. Describe any changes in Respondent’s ownership or management structure since January 1, 2015. Will these changes have any impact on Respondent’s ability to provide the Services during the expected term of the Agreement?
11. Is ongoing training offered to the proposed members of Respondent’s team in order to keep them apprised of all current PCI regulations/requirements? Please explain.
12. How often are team members required to attend training?
13. Do you provide data breach insurance along with your services? If so, please detail the insurance limits for each service being bid upon and identify the insurance provider(s).
14. Are there any services not included in this RFP you think are necessary to meet the current or upcoming PCI compliance standards? If yes, please describe them in your response and include any such services as part of your cost proposal.
15. Are you certified to provide PCI DSS ASV services, PCI DSS QSA services, PA DSS services, P2PE Encryption Assessment services, and/or PCI QIR Evaluation services? Please provide a copy of all relevant certification(s).

16. Have you been or are you currently subject to any reprimands and/or certificate revocations by the PCI SSC?
17. Is Respondent willing to agree to all of the Contractual Terms and Conditions set forth in Section VII of this RFP? Due to the limited timeframe the Treasurer has for executing an agreement, a Contractor's willingness to accept the terms stated in this RFP will be viewed favorably by the Evaluation Team.

PCI ASV Services

18. Provide a brief history, including year established and number of years your company has been offering PCI ASV services.
19. Are you certified by the PCI-SSC as an Approved Scanning Vendor ("ASV")?
20. Do the members assigned to the team that will conduct ASV Services have a solid background in one or more of the following activities: audit, forensics, IT compliance, IT risk management, vulnerability management? Include profiles and relevant experience of key staff and management personnel.
21. What methodologies do you use for conducting external network scans?
22. What methodologies do you use for conducting internal network scans? Please include access required by PCI compliance standards.
23. Do you offer a web-based tool for launching and reporting on external and/or internal scans? If so, please describe and provide examples of that functionality.
24. What methodologies do you use for completing external penetration tests?
25. What methodologies do you use for completing internal penetration tests?
26. What methodologies do you use for completing web application penetration tests?
27. What methodologies do you use for completing network segmentation tests?

PCI QSA Compliance Services

28. Provide a brief history, including year established and number of years your company has been offering PCI QSA compliance services.
29. List the number of onsite assessments the QSA's that would be assigned to this engagement have performed for PCI DSS merchant levels ("Merchant Level") 1 and 2.

30. Can your firm guarantee a level of continuity of team members assigned to a specific engagement? Will Respondent retain the same team members throughout a single audit?
31. What are your firm's minimum education and experience standards for a team member that can complete a PCI DSS onsite audit resulting in a ROC?
32. Please provide the average team size that would be assigned for merchant onsite assessments and gap analysis.
33. Please provide the average time frames for the completion of service provider onsite assessments and gap analysis.
34. Please provide the average team size that would be assigned for service provider onsite assessments and gap analysis.
35. How long has your firm provided onsite PCI assessments to Merchant Levels 1 and 2?
36. How many PCI programs has your firm supported for Merchant Levels 2, 3, and 4?
37. Does your firm specialize in support for a specific merchant level(s) or is the firm's expertise equally weighted for Merchant Levels 2, 3, and 4? Please explain.
38. Have any merchants or service providers for which your firm has provided an onsite forensics assessment where a compliant Report on Compliance ("ROC") was produced ever suffered a Cardholder Data ("CHD") breach or loss within 1 year of the completion of that ROC?
39. If the answer is yes to the above question, please provide a detailed description of the deficiencies that existed that prompted the breach or loss to occur.
40. What is your average timeframe for completion of merchant onsite assessments and gap analyses by merchant level and payment channel?
41. Does your firm use subcontractors when conducting PCI assessment and/or for the assessment of deliverables?
42. If applicable, detail your experience conducting payment/credit card security program assessments and related projects in other public sector environments, consistent with applicable industry standards and requirements, including, but not limited to, PCI DSS.

PCI QIR Evaluation Services

43. Please provide a brief history, including year established and number of years your company has been offering QIR services.
44. Are you certified by the Payment Card Industry Security Standards Council (PCI-SSC) to provide QIR services?
45. If the answer to number 44 is yes, please provide the number of trained and certified PCI assessors within your firm.
46. Have any of your QIR certified installations been the subject of a PCI Forensic Investigation (“PFI”)? If so, please provide a detailed explanation of the basis for and outcome of the PFI.
47. What is the typical time of installation and production of an Implementation Statement?
48. How many QIR certified installations of PA DSS payment applications have you completed in the last year?
49. How many QIR certified installations of point-of-sale systems have you completed in the last year?

PA DSS Services

50. Please provide a brief history, including year established and number of years your company has been offering PA DSS services.
51. What is the typical timeframe for completion of a PA DSS evaluation?
52. What methodologies do you employ for the completion of a PA DSS evaluation?
53. What are your minimum standards for a staff member that can complete a PA DSS evaluation?
54. Have any of your PA DSS certifications been the subject of a PFI? If so, please provide a detailed explanation of the basis for and outcome of the PFI.

Diversity

55. If publicly owned, please provide the number and percentage of members of the Respondent’s governance board who are female, minority, military veterans, or persons with disabilities. Please cite with supporting data.

56. If privately owned, is the Respondent or its affiliates female, minority, persons with disabilities, or veteran-owned or managed? For purposes of this RFP, “female, minority, persons with disabilities, or veteran owned or managed” shall mean being owned or managed by 51% or more of a combination of female, minority, persons with disabilities, or military veteran. Please provide the number and percentage of Respondent’s owners who are female, minority, military veterans, or persons with disabilities. Please cite with supporting data.
57. Please provide the number and percentage of Respondent’s senior executive leaders (i.e. partner, president, COO, managing director, or other senior executives) who are female, minority, military veterans, or persons with disabilities. Please cite with supporting data.
58. Please provide the number and percentage of Respondent’s staff (i.e. all full-time and part-time employees) who are female, minority, military veterans, or persons with disabilities. Please cite with supporting data.
59. What is the percentage of Respondent’s intended use of subcontractors for this project, if any, that are female, minority, persons with disabilities, or veteran-owned or managed? Please cite with supporting data.

Corporate Responsibility – Environmental, Social, and Governance Practices

60. Please note any policies, practices, and/or business strategies the Respondent has in place to address long-term environmental risks and opportunities that may impact long-term sustainability.
61. Please highlight any policies, practices or resources that the Respondent has in place to retain and enhance the human capital at the firm.
62. Please explain how the Respondent fosters a corporate governance structure that mitigates business risks and enhances business operations.
63. Please highlight any activities, projects, or services the Respondent administers to alleviate societal issues and enhance its commitment to corporate social responsibility. Please cite with supporting data.

Illinois Presence

64. Is the Respondent incorporated in Illinois? Please provide the physical address and website of the Respondent’s headquarters and all Illinois branch offices.
65. Please note how many full-time employees are located at the Respondent’s headquarters and all Illinois branch offices.
66. Please describe what presence the Respondent has in the State of Illinois. Such “presence” can be demonstrated by noting (1) the number and (2) the percentage

of the Respondent's full-time employees who spend more than half their time in Illinois and have physical offices or a principal place of business located in Illinois.

67. Using the definition provided above, what percentage of the Respondent's subcontractors for this project, if any, have an Illinois presence?
68. Please note whether the Respondent has any plans to locate staff or hire additional staff in the State of Illinois. Please provide supporting data.

C. Cost Proposal

General

1. Respondents shall provide a separate fee schedule for each of the required services outlined in this RFP as well as any optional services for which Respondents elect to submit a Proposal. Pricing for investigations, remediation, and advisory services shall be submitted as a price per billable hour for each individual service. Given the variability in any particular service provided to a Participating Agency, the price per billable hour for all services shall be provided as a range and shall include any mandatory minimum fees, if applicable. Further, any price reductions for combined services or tiered pricing shall be included in any price per billable hour range submitted by the Respondent. All other costs, such as for travel or materials may be negotiated within an Ordering Agreement, and shall not be included within the proposed fees submitted with the Proposal.
2. The fee schedule should include all fees/costs for the specific service being bid on. Upon the receipt of best and final proposals, the Treasurer shall establish a price range for all services covered by this RFP. Winning Respondent shall adhere to these price ranges for all future contracts with Participating Agencies. Further requirements regarding submission of the cost proposal are set forth below in this section V.C.

PCI ASV Services

3. Pricing for internal and external scans may be submitted in one of three ways:
 - a. Quarterly license fee;
 - b. Price per internal IP; or
 - c. Tiered pricing based on the number of target IPs and/or applications.
4. Network and web application penetration testing services shall be submitted in one of three ways:
 - a. Price per billable hour;
 - b. Price per target IP and/or application; or
 - c. Tiered pricing based on the number of IPs and/or target applications.

PCI QSA Compliance Services

5. Pricing for audit, gap analysis, remediation, and advisory services related to PCI DSS compliance shall be submitted as a price per billable hour for each individual service.

PCI QIR Evaluation Services

6. Pricing for installation, configuration, evaluation, support, and investigation services should be submitted as a price per billable hour for each individual service.

PA DSS Services

7. Pricing for audit, gap analysis, remediation, and advisory services related to PA DSS compliance shall be submitted as a price per billable hour for each service.

VI. EVALUATION PROCESS & CRITERIA

A. Mandatory Requirements

Failure to perform any of the following shall lead to Respondent's automatic disqualification:

1. Submit Proposal and accompanying Cost Proposal by 12:00 p.m. CT on May 25, 2017;
2. In Respondent's Proposal, provide all of the sections and the information required for each section as set forth in Section V.A of this RFP;
3. Provide the Cost Proposal in a separately sealed envelope and on a separate electronic storage device;
4. Have a minimum of five (5) years of experience performing services that are considered identical or similar in nature to the Services;
5. Be authorized to transact business in Illinois for all of the Services;
6. Answer all of the questions in this RFP;
7. Submit the name, physical address, e-mail address, and telephone number of an individual with authority to answer questions or clarify their Proposal;
8. Offer PCI certified ASV services as requested in this RFP, including internal and external network scans, network segmentation testing, and web application and network penetration testing; and

9. Offer PCI certified QSA services as requested in this RFP, for merchants and services including gap analysis, advisory services, and onsite audits.

B. Scoring

This following table shows the maximum number of points that can be awarded for each evaluation factor that will be used in reviewing the Proposals. The services proposed by the Respondent shall be graded and evaluated, as indicated below.

Services Evaluation Factors	Maximum Score
Background & Experience	30
Quality of Services	30
Cost Proposal	25
Diversity	5
Corporate Responsibility	5
Illinois Presence	5
Interview	10
TOTAL	110

C. Evaluation Factors

1. Background and Experience
Scoring will be based on Respondent’s experience with and demonstrated ability to provide quality payment solutions and services to the Participants. The breadth and depth of the similar engagements will be considered. The evaluation also will include reference checks regarding the Respondent's work for previous clients receiving services similar to the ones in this RFP.

2. Quality of Services
Scoring will be based on Respondent’s answers to the questions in Section V.B. of this RFP. The thoroughness and clarity of the Proposal, the perceived validity of the Proposal, and the talent and experience of assigned personnel will be considered.

3. Cost Proposal
Respondent’s Cost Proposal score will be scored based on an evaluation of its cost-effectiveness in delivering the essential program requirements.

4. Diversity
Respondent's diversity score will be scored based on the answers Respondent provides to the "Diversity" questions in Section V.B of this RFP. The Evaluation Team shall award a higher diversity score to Respondents (including subcontractors) that are female, minority, person with disabilities, or veteran owned or managed. Having a higher percentage of subcontractors that are female, minority, person with disabilities, or veteran owned or managed shall also result in higher scores.
5. Corporate Responsibility
Respondent's corporate responsibility shall be scored based on the answers Respondent provides to the "Corporate Responsibility" questions in Section V.B of this RFP.
6. Illinois Presence
Respondent's Illinois presence shall be scored based on the answers Respondent provides to the "Illinois Presence" questions in Section V.B of this RFP. Respondents with a principal place in Illinois and a higher percentage of employees in Illinois shall receive higher scores.
7. Interview
In the event the Treasurer does not conduct interviews, all Respondents will be awarded zero (0) points for this evaluation factor.

D. Evaluation Process

All Responses will be reviewed for compliance with the RFP requirements and specifications. Responses deemed non-responsive will be eliminated from further consideration. The CPO may contact the Respondent for clarification of the Proposal, and the Evaluation Team may use other sources of publically available information to perform its evaluation. Finally, the Evaluation Team will make a recommendation regarding the final Respondent(s).

VII. CONTRACTUAL TERMS AND CONDITIONS

The Contractor shall agree to each contractual provision set forth in this Section.

A. Contractual Responsibility

Contractor will be contractually responsible for all services provided. By responding to the RFP, Contractor expressly agrees to the contractual requirements herein. Contractor shall at all times provide services in a commercially reasonable manner.

B. Ordering Agreements

The Contractor shall agree to each contractual provision set forth in this Section. A Participating Agency shall use its own Ordering Agreement, which shall contain details specific to the Participating Agency, including, but not limited to, terms and conditions, and any other services selected, if any. The terms and conditions in an Ordering Agreement shall only apply to such Ordering Agreement and shall not be applied to the Agreement. The Contractor shall honor any Ordering Agreement entered into through and including the last day of the Agreement, unless otherwise specified in the Ordering Agreement. For each order, the purchasing Participating Agency shall be solely responsible for all payments or other applicable obligations or disputes that may arise related to a particular Ordering Agreement. The Treasurer shall have no obligations or responsibilities related to orders placed by other Participating Agencies. Except for a mutually agreed upon Ordering Agreement, nothing in this Agreement or elsewhere shall obligate any State Agencies to purchase, and make payments on, any services offered hereunder.

C. Governing Law; Venue.

The Agreement shall be governed by and construed according to the laws of the State of Illinois, without regard to conflicts of law principles. Any Ordering Agreement shall be governed in all respects by the laws of the State of Illinois without regard to conflicts of law principles, unless otherwise provided in an Ordering Agreement. Any action by Contractor against the Treasurer can only be brought in the Illinois Court of Claims.

D. Internal Controls

The Contractor shall annually provide each Participating Agency with a copy, either electronically or hard copy, of the Annual Report or Form 10-K of its parent holding company and its most recent SSAE 16 report which shall include the attestation of the company's independent registered accounting firm regarding the company's internal control over financial reporting.

E. Disaster Recovery and Backup Facilities

Contractor and its subcontractor(s), if applicable, shall prepare and test a plan for recovery of financial transactions and related information in the event of a disaster or system failure. Upon execution of the Agreement, Contractor and its subcontractor(s), if applicable, shall furnish a copy of the plan, test results, and the results of the annual audit of the disaster recovery plan to each Participating Agency.

F. State furnished property

Contractor shall be responsible for the security, protection, and return of all property furnished by any Participating Agency, if any, including but not limited to, items, research materials, photographs, and drawings.

G. Term of Agreement

The term of the Agreement shall be three (3) years, unless terminated in accordance with the terms of this Agreement. The Treasurer may, with the consent of Contractor, elect to extend the Agreement for additional periods, not to exceed a total term of ten (10) years, including the initial three (3) years.

H. Termination

Before terminating the Agreement, the Treasurer will give the Participating Agencies notice of such intent.

1. Termination Without Cause.

The Treasurer may elect to terminate the agreement at any time upon thirty (30) calendar days' notice. Upon termination, the Treasurer will pay for work satisfactorily completed prior to the date of termination.

2. Termination for Cause.

Notwithstanding any language to the contrary, the Agreement may be terminated by the Treasurer or CPO under any of the following circumstances:

- a. Contractor fails to furnish a satisfactory performance within the time specified;
- b. Contractor fails to perform any of the provisions of this Agreement, or so fails to make progress as to endanger performance of this Agreement in accordance with its terms;
- c. Any services provided under the Agreement are rejected and are not promptly corrected by Contractor, or repeatedly rejected even though Contractor offers to correct services promptly;
- d. There is sufficient evidence to show that fraud, collusion, conspiracy, or other unlawful means obtained the Agreement;
- e. Contractor is guilty of misrepresentation in connection with another contract for services to the State;
- f. Contractor is adjudged bankrupt or enters into a general assignment for the benefit of their creditors or receivership due to insolvency;
- g. Contractor disregards laws and ordinances, rules, or Participating Agency's instructions or its respective agents, or acts in violation of any provision of the Agreement or this part, or acts in conflict with any statutory or constitutional provision of the State of Illinois or of the United States; or

- h. Contractor commits any other breach of the Agreement, or of any agreement entered into directly by any Contractor or subcontractor with Treasurer or any Participating Agency, or commits any other unlawful act.

Prior to terminating the Agreement for cause, the Treasurer shall issue a written warning that outlines the remedial action necessary to bring the Contractor into conformance with the Agreement. If such remedial action is not completed to the satisfaction of the Treasurer within thirty (30) business days, a second written warning may be issued. If satisfactory action is not taken by Contractor within five (5) business days of the date of the second written warning, the Agreement may be cancelled and the Treasurer may recover any and all damages involved with the transition to a new vendor including incidental and consequential damages. Failure by the Treasurer to issue a warning or cancel this Agreement does not waive any of the Treasurer's rights to issue subsequent warnings.

In addition, the Treasurer reserves the right to reduce the fee paid to Contractor as compensation for services under the Agreement during any period Contractor fails to perform with reasonable care any of its obligations under the Agreement.

I. Review

The Treasurer may conduct periodic performance reviews of the Contractor, during which its compliance with all aspects of the Agreement will be reviewed and assessed. A Participating Agency may conduct periodic performance reviews of the contractor, during which its compliance with all aspects of the Participating Agency's respective Ordering Agreement will be reviewed and assessed.

J. Indemnification

Contractor shall indemnify and hold all Participating Agencies, their officers, agents, and employees, harmless from and against any and all liabilities, demands, claims, lawsuits, losses, damages, causes of action, fines, or judgments, including costs, attorneys' and witnesses' fees and expenses incident thereto, for all injuries, including but not limited to, injuries to person and for losses due to breach of the Agreement, the negligent acts or omissions or willful misconduct of Contractor, its employees, or its agents in connection with this RFP, the Agreement, and any Ordering Agreements.

K. Non-Compete

Throughout the term of the Agreement, Contractor shall not enter into any new contracts to provide any of the Services to any State of Illinois State Agency. Throughout the term of this Agreement and for one (1) year afterwards, Contractor shall not solicit any State of Illinois State Agency or enter into a contract with a current or former Participating Agency to provide the Services. In the event that Contractor has an existing contract to provide any of the Services with a State of Illinois State Agency at the time this Agreement is executed, Contractor shall provide the Treasurer a list of such contracts and

the names of the units of State or local government that are parties to such contracts (“Exempt List”). Notwithstanding anything to the contrary in this Section, Contractor may extend existing contracts with any State of Illinois State Agency that is on the Exempt List.

L. Confidentiality

This Section shall survive the termination of the Agreement.

1. Confidential Information.

All Confidential Information, as defined below, shall be held in strict confidence by the Contractor and shall not be disclosed to any third party. Confidential information includes all information but the following: (a) information already known or independently developed by the recipient; (b) information required to be released by law; (c) information in the public domain through no wrongful act of the recipient; and (d) information received from a third party who was free to disclose it (“Confidential Information”).

Any disclosure required to be made by applicable law shall not be made sooner (unless otherwise compelled or required by law or judicial process) than five (5) business days immediately following receipt by the Treasurer from the Contractor of written notice of such order, and such notice will include a copy of any relevant court or other order. In the event the Contractor is ordered to disclose Confidential Information pertaining to a Participating Agency, the Contractor shall afford such Participating Agency a reasonable opportunity to participate and object to any such disclosure. In the event Contractor is ordered to disclose any other Confidential Information, the Contractor shall afford the Treasurer a reasonable opportunity to participate and object to any such disclosure.

2. Use of Confidential Information by Employees and Agents of Contractor.

The requirement of confidentiality under this Agreement also applies to the employees and agents of the Contractor. The Contractor shall use its best efforts to ensure that its employees and agents adhere to the confidentiality requirements set forth herein. Use by and disclosure to employees and agents of Confidential Information to the extent necessary to carry out the terms and purposes of this Agreement is acceptable.

3. Protection of Confidential Information.

The Contractor represents, warrants, and covenants that it has implemented and will maintain an information security program reasonably designed to protect Confidential Information, including customer information, which program includes administrative, technical, and physical safeguards to ensure the security and confidentiality of all customer information, to protect against anticipated threats or hazards to the security or integrity of such customer information, and to protect against unauthorized access to or use of such customer information.

4. Privacy Policy.

Contractor will comply with any applicable federal or state laws or regulations, as well as any privacy policy developed by the Treasurer. Contractor further agrees to establish, maintain, and comply with a privacy policy with respect to the Services that meets the requirements of applicable law.

5. Program Lists.

The Contractor specifically agrees that it shall not, and shall cause its subcontractors and affiliates not to, sell, provide, or otherwise disclose information from, any Participating Agency's program list to any third party, unless otherwise directed to or approved by such Participating Agency or required by applicable law.

M. Subcontracting

The Contractor may not use subcontractors to perform the duties as outlined in this RFP unless the subcontractor is approved in advance by the Treasurer. Contractor must disclose the duties to be performed by the subcontractor. The Contractor will be required to obtain written approval from the Treasurer, prior to adding or changing subcontractors. Subcontractors will be required to submit separate State Certifications and Disclosure Forms, copies of which are found attached hereto as Appendix A.

Contractor has a duty to select, with due diligence, all other entities that shall be necessary to implement the Agreement and Ordering Agreements. Contractor shall establish and enforce reasonable procedures to assure the Treasurer of the performance by all other entities of the services necessary to implement this Agreement.

N. Assignment

Each term and provision of the Agreement is binding and enforceable against and inures to the benefit of any successors of the Treasurer and any successors of Contractor, but neither the Agreement nor any of the rights, interests, or obligations under the Agreement may be transferred or assigned without the Treasurer's prior written consent. Any attempt by Contractor or subcontractor, if applicable, to transfer or assign any rights or obligations related to the provision of services under this Agreement, without the prior written consent of the Treasurer, shall render the Agreement voidable by the Treasurer. The Treasurer may unilaterally bind any successor of the Contractor to the terms and conditions of any Agreement between the parties.

O. Services

Contractor shall not modify any service or the manner of providing such service under this Agreement without the prior written authorization of the Treasurer. Modification means any change to an existing service or the addition of a new service. Further, the Contractor shall guarantee performance of the services under this Agreement and any Ordering Agreements ("Services") and agree to perform all Services in an efficient and

professional manner. The Contractor's obligations and responsibilities pursuant to the Agreement and Ordering Agreements shall not be affected in the event of personnel problems, strike by employees, work stoppages, and other employee-related events. The Contractor is responsible for and shall provide commercially reasonable backup systems and shall review the adequacy of those systems with the Participating Agencies upon request. The prevention of such business interruption shall be the sole responsibility of the Contractor, and the Contractor shall immediately notify the Participating Agencies in the event such business interruption takes place. The Contractor shall be liable for any losses or damages sustained by any Participating Agency due, in whole or in part, to the Contractor's failure to provide reasonable backup systems.

P. Access to Information

Upon request from a Participating Agency, the Contractor shall provide such Participating Agency access to all files, records, participant email addresses, documents, and data pertaining to the Agreement that are in Contractor's possession and control regardless of how that information is stored. The information shall be provided in a form acceptable to the requesting Participating Agency.

Q. State Certifications/Disclosures

The Agreement will incorporate Contractor's fully executed State Certifications and Disclosure Forms, copies of which are attached hereto as Appendix A. Contractor and subcontractors should anticipate that Participating Agencies may require similar certifications and disclosures as part of their respective Ordering Agreements.

R. Right to Audit Books and Records

Contractor and any subcontractors shall maintain, for a minimum of five (5) years from the last action on the Agreement or after the termination of the Agreement, whichever is longer, adequate books, records, and supporting documents related to the performance of the Agreement and necessary to support amounts charged to the Treasurer. Contractor and any subcontractors further agree to cooperate fully with any audit and to provide full access to all relevant materials for review and audit conducted by the Illinois Auditor General, chief procurement officers, internal auditor, and the representatives of the Participating Agencies; Contractor agrees to cooperate fully with any audit conducted by the Illinois Auditor General or a Participating Agency and to provide full access to all relevant materials. The five (5) year period shall be extended for the duration of any audit in progress during the term. Failure to maintain the books, records, and supporting documents required by this section shall establish a presumption in favor of the Treasurer for the recovery of any funds paid by the Treasurer under the Agreement for which adequate books, records, and supporting documentation are not available to support their purported disbursement.

Further, Contractor and subcontractors, if any, agree to maintain books and records related to the performance of a Participating Agency's Ordering Agreement and

necessary to support amounts paid to or collected by the Contractor or any subcontractor under such Ordering Agreement for a minimum of five (5) years from the last action on the Ordering Agreement or after termination of the Ordering Agreement, whichever is longer. Contractor and subcontractors further agree to cooperate fully with any audit and to make the books and records available for review and audit by the Participating Agency's Auditor General, chief procurement officers, internal auditor and the representatives of the Participating Agency; Contractor agrees to cooperate fully with any audit conducted by the Participating Agency's Auditor General or the Participating Agency and to provide full access to all relevant materials. The five (5) year period shall be extended for the duration of any audit in progress during the term. Failure to maintain the books, records and supporting documents required by this Section shall establish a presumption in favor of the Participating Agency for the recovery of any funds paid to or collected by the Contractor or any subcontractor under such Participating Agency's Ordering Agreement for which adequate books, records, and supporting documentation are not available to support their purported disbursement or collection.

S. Work Product

1. Ownership of Work product.

Except as otherwise agreed to in writing, all work product including, but not limited to, documents, reports, data, information, and ideas specially produced, developed or designed by the Contractor for a Participating Agency under the Agreement and any Ordering Agreement, whether preliminary or final, including any copyright or service marks developed by the Contractor on behalf of a Participating Agency (collectively, the "Work Product") will become and remain the property of the Participating Agency. The Participating Agencies shall have the right to use all such Work Product without restriction or limitation and without further compensation to the Contractor.

2. Return of Work Product.

Except as otherwise agreed to in an Ordering Agreement, within thirty (30) days after expiration or termination of the Agreement, the Contractor shall deliver to a Participating Agency, or to a third party, if so instructed by a Participating Agency, all Work Product in Contractor's possession in the performance of the Agreement. If requested by a Participating Agency, the Contractor shall certify in writing that all such Work Product has been delivered to the Participating Agency.

T. Enforceability

The Contractor shall certify that the execution and delivery by the Contractor of the Agreement and the performance by the Contractor of its obligations pursuant to the Agreement have been duly and validly authorized, with no other corporate action on the part of the Contractor or its stockholders being necessary. The Contractor shall certify that it has the full legal right, power, and authority to execute and deliver the Agreement and to perform its obligations pursuant to the Agreement, and that the Agreement has

been duly and validly executed and delivered by the Contractor, thereby constituting a legal, valid, and binding obligation of the Contractor, enforceable against the Contractor in accordance with its terms.

U. No Conflicts

The Contractor shall certify that the execution and delivery by the Contractor of the Agreement, the performance by Contractor of its duties and obligations thereunder, and the consummation of the transactions contemplated do not result in any of the following:

1. Conflict with or result in a violation or breach of any of the terms, conditions, or provisions of the charter or by-laws of Contractor;
2. Conflict with or result in a violation or breach of any term or provision of a) any law, rule, regulation, judgment, decree, order, or injunction applicable to the Contractor or any of its assets and properties or b) any agreement binding on or affecting the Contractor or any of its properties; or
3. Conflict with or result in a violation or breach of, or constitute (with or without notice or lapse of time or both) a default under any material agreement to which the Contractor is a party, or any material obligation or responsibility which the Contractor has to any third party.

V. No Pending or Threatened Litigation

The Contractor shall certify that there is no action, suit, investigation, or proceeding pending or, to the best knowledge of the Contractor, threatened against the Contractor before any court, arbitrator, or administrative or governmental body that might result in any material adverse change in the operations of the Contractor or which might materially and adversely affect the ability of the Contractor to provide the Services or otherwise comply with its obligations under the Agreement and/or any Ordering Agreements.

W. Most Favorable Terms

If more favorable terms are granted by the Contractor to any state in a contemporaneous agreement under the same or similar financial terms and circumstances for comparable services, the more favorable terms will be applicable under the Agreement.

X. Modification of the Agreement

The Services to be provided under the Agreement shall be subject to modification and supplementation only upon the written agreement of the duly authorized representatives of the contracting parties. No modification of the terms of the Agreement shall be made that would materially change the delivery of service, unless such changes are mutually

agreed by and between the Treasurer and the Contractor and shall be incorporated in written amendments to the Agreement, processed through and approved by the Treasurer.

Y. Liability

The Treasurer assumes no liability for the acts or omissions of the Contractor. This liability rests solely with the Contractor. The Contractor shall be liable to the Treasurer for actual and compensatory damages that are available to the Treasurer in law or remedies in equity.

**Appendix A – Illinois State Treasurer Certifications
PCI DSS and PA DSS Audit and Compliance Services
RFP 370-200-17-005**

ILLINOIS STATE TREASURER CERTIFICATIONS

_____ (“CONTRACTOR”) makes the following certifications:

1.0 ANTI-BRIBERY.

CONTRACTOR certifies that it is not barred from being awarded a contract or subcontract under Section 50-5 of the Illinois Procurement Code (30 ILCS 500/50-5). Section 50-5 prohibits a contractor from entering into a contract with a State agency if the contractor has been convicted of bribery or attempting to bribe an officer or employee of the State of Illinois, or if the contractor has made an admission of guilt of such conduct with is a matter of record. The contractor further acknowledges that the chief procurement officer may declare the related contract void if this certification is false.

2.0 BID-RIGGING/BID-ROTATING.

CONTRACTOR certifies that it has not been barred from contracting with a unit of State or local government as a result of a violation of Section 33E-3 or 33E-4 of the Criminal Code of 1961 (720 ILCS 5/33E-3, 33E-4).

3.0 DRUG FREE WORKPLACE.

This certification is required by Section 3 of the Drug Free Workplace Act (30 ILCS 580/3). The Drug Free Workplace Act, effective January 1, 1992, requires that CONTRACTOR shall not be considered for the purposes of being awarded a contract for the procurement of any services from the State unless CONTRACTOR has certified to the State that CONTRACTOR will provide a drug free workplace. False certification or violation of the certification may result in sanctions including, but not limited to, suspension of contract payments, termination of the contract and debarment of contracting opportunities with the State for at least one (1) year but not more than five (5) years.

CONTRACTOR certifies and agrees that it will provide a drug free workplace by:

- a. Publishing a statement:
 - i. Notifying employees that the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance, including cannabis, is prohibited in the grantee’s or contractor’s workplace.
 - ii. Specifying the actions that will be taken against employees for violation of such prohibition.
 - iii. Notifying the employee that, as a condition of employment on such contract or grant, the employee will:

- a. abide by the terms of the statement; and
 - b. notify the employer of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction.
- b. Establishing a drug free awareness program to inform employees about:
 - i. the dangers of drug abuse in the workplace;
 - ii. CONTRACTOR's policy of maintaining a drug free workplace;
 - iii. any available drug counseling, rehabilitation, and employee assistance programs; and
 - iv. the penalties that may be imposed upon an employee for drug violations.
- c. Providing a copy of the statement required by Section (a) to each employee engaging in the performance of the contract or grant and to post the statement in a prominent place in the workplace.
- d. Notifying the Treasurer's Office within ten (10) days after receiving notice under part (b) of paragraph (iii) of Section (a) above from an employee or otherwise receiving actual notice of such conviction.
- e. Imposing a sanction on, or requiring the satisfactory participation in drug abuse assistance or rehabilitation program by, an employee who is so convicted, as required by Section 5 of the Drug Free Workplace Act.
- f. Assisting employees in selecting a course of action in the event of drug counseling, treatment, and rehabilitation is required and indicating that a trained referral team is in place.
- g. Making a good faith effort to continue to maintain a drug free workplace through implementation of the Drug Free Workplace Act.

4.0 U.S. EXPORT ACT.

CONTRACTOR certifies that neither CONTRACTOR nor any substantial-owned affiliated company is participating or shall participate in an international boycott in violation of the provisions of the U.S. Export Administration Act of 1979 (50 U.S.C.A. App. § 2401 et seq.) or the regulations of the U.S. Department of Commerce promulgated under that Act.

5.0 NON-DISCRIMINATION.

CONTRACTOR certifies that it is in compliance with the State and Federal Constitutions, the U.S. Civil Rights Act, Section 504 of the Federal Rehabilitation Act, and all applicable rules that prohibit unlawful discrimination in performance of this Agreement and all other activities, including employment and other contracts. As a condition of receiving the Agreement, CONTRACTOR represents or certifies that services, programs and activities provided under the Agreement are and will continue to be in compliance with State and Federal Constitutions, the U.S. Civil Rights Act, Section 504 of the Federal Rehabilitation Act, and all applicable laws that prohibit unlawful discrimination.

6.0 AMERICANS WITH DISABILITIES ACT.

CONTRACTOR certifies that it is in compliance with the Americans with Disabilities Act (“ADA”) (42 U.S.C. 12101 et seq.) and the regulations thereunder (28 CFR 35.130) prohibit discrimination against persons with disabilities by the Treasurer, whether directly or through contractual arrangements, in the provision of any aid, benefit or service. As a condition of receiving the Agreement, CONTRACTOR represents or certifies that services, programs and activities provided under the Agreement are and will continue to be in compliance with the ADA.

7.0 ILLINOIS HUMAN RIGHTS ACT.

CONTRACTOR certifies that it is presently in compliance with all of the terms, conditions and provisions of Section 5/2-105 of the Illinois Human Rights Act (775 ILCS 5/2-105), together with all rules and regulations promulgated and adopted pursuant thereto.

8.0 FELONY.

CONTRACTOR certifies that it has not been barred from being awarded a contract under Section 50-10 of the Illinois Procurement Code (30 ILCS 500/50-10). Section 50-10 prohibits a contractor from entering into a contract with a State agency if the contractor has been convicted of a felony and 5 years have not passed from the completion of the sentence for that felony. The contractor further acknowledges that the chief procurement officer may declare the related contract void if this certification is false.

9.0 FORMER EMPLOYMENT.

CONTRACTOR has informed the Treasurer’s Office in writing if CONTRACTOR was formerly employed by the Treasurer’s Office and has received an early retirement incentive under Section 14-108.3 or 16-133.3 of the Illinois Pension Code (30 ILCS 105/15a).

10.0 INDUCEMENT.

CONTRACTOR has not paid any money or valuable thing to induce any person to refrain from bidding on a State contract, nor has CONTRACTOR accepted any money or other valuable thing, or acted upon the promise of same, for not bidding on a State contract (30 ILCS 500/50-25).

11.0 REVOLVING DOOR PROHIBITION.

CONTRACTOR certifies that neither it nor its employees and agents are in violation of section 50-30 of the Illinois Procurement Code (30 ILCS 500/50-30). Section 50-30 prohibits for a period of (2) years after terminating an affected position

certain State employees and their designees from engaging in any procurement activity relating to the State agency most recently employing them for a specified period of time.

12.0 REPORTING ANTICOMPETITIVE PRACTICES.

CONTRACTOR shall report to the Illinois Attorney General and the Chief Procurement Officer any suspected collusion or other anticompetitive practice among any bidders, offerors, contractors, proposers or employees of the State (30 ILCS 500/50-40, /50-45, /50-50).

13.0 DISCRIMINATORY CLUB.

CONTRACTOR agrees not to pay any dues or fees on behalf of its employees or agents or subsidize or otherwise reimburse them for payments of any dues or fees to a discriminating club as prohibited by Section 2 of the Discriminatory Club Act (775 ILCS 25/2).

14.0 TAXPAYER IDENTIFICATION NUMBER AND LEGAL STATUS OF CONTRACTOR.

CONTRACTOR shall be in compliance with applicable tax requirements and shall be current payment of such taxes. Under penalty of perjury, CONTRACTOR certifies that #_____ is its correct Taxpayer Identification Number and that it is doing business as a (please check one):

- | | |
|--|---|
| <input type="checkbox"/> Individual | <input type="checkbox"/> Government Entity |
| <input type="checkbox"/> Sole Proprietor | <input type="checkbox"/> Nonresident alien |
| <input type="checkbox"/> Partnership/Legal Corporation | <input type="checkbox"/> Estate or trust |
| <input type="checkbox"/> Tax Exempt | <input type="checkbox"/> Pharmacy (Non-Corp.) |
| <input type="checkbox"/> Corporation providing or billing Home/Cemetery medical and/or health care services | <input type="checkbox"/> Pharmacy/Funeral (Corp.) |
| <input type="checkbox"/> Corporation NOT providing or billing Company (select medical and/or health care services classification.) | <input type="checkbox"/> Limited Liability applicable tax |
| <input type="checkbox"/> Other: _____ | <input type="checkbox"/> C = corporation |
| | <input type="checkbox"/> P = partnership |

15.0 LICENSE; AUTHORIZED BIDDER OR OFFEROR

CONTRACTOR, directly or through its employees, shall have and maintain any license required by this Agreement. CONTRACTOR further certifies that it is a legal entity authorized to do business in Illinois prior to the submission of the bid, offer, or proposal pursuant to section 20-43 of the Illinois Procurement Code (30 ILCS 500/20-43).

16.0 APPROPRIATION.

This Agreement is subject to termination and cancellation in any year for which the General Assembly fails to make an appropriation for payments under the terms of the contract.

17.0 RECORDS RETENTION; RIGHT TO AUDIT.

CONTRACTOR agrees to maintain books and records related to the performance of the contract and necessary to support amounts charged to the State under the contract for a minimum of three years from the last action on the contract or after termination of the Agreement, whichever is longer. Contractor further agrees to cooperate fully with any audit and to make the books and records available for review and audit by the Auditor General, chief procurement officers, internal auditor and the Treasurer; CONTRACTOR agrees to cooperate fully with any audit conducted by the Auditor General or the Treasurer and to provide full access to all relevant materials. The three-(3)-year period shall be extended for the duration of any audit in progress during the term. Failure to maintain the books, records and supporting documents required by this Section shall establish a presumption in favor of the State for the recovery of any funds paid by the State under this Agreement for which adequate books, records, and supporting documentation are not available to support their purported disbursement.

18.0 CONFLICTS OF INTEREST.

CONTRACTOR has disclosed, and agrees that it is under a continuing obligation to disclose, to the Treasurer financial or other interests (public or private, direct or indirect) that may be a potential conflict of interest that would prohibit CONTRACTOR from entering into or performing the Agreement. Conflicts of interest include, but are not limited to, conflicts under Section 1400.5020 of the Treasurer's Procurement Rules (44 Ill. Adm. Code 1400.5020) and Sections 50-13, 50-20, and 50-35 of the Illinois Procurement Code (30 ILCS 500/50).

19.0 LATE PAYMENTS.

Late payment charges, if any, shall not exceed the formula established in the Illinois Prompt Payment Act (30 ILCS 540/1) and the Illinois Administrative Code (74 Ill. Adm. Code 900).

20.0 LIABILITY.

The State's liability for damages is expressly limited by and subject to the provisions of the Illinois Court of Claims Act (705 ILCS 505/1) and to the availability of suitable appropriations.

21.0 DEBT DELINQUENCY.

CONTRACTOR certifies that it, or any affiliate, is not barred from being awarded a contract or subcontract under section 50-11 of the Illinois Procurement Code (30 ILCS 500/50-11). Section 50-11 prohibits a contractor from entering into a contract with the Treasurer's Office if it knows or should know that it, or any affiliate, is delinquent in the payment of any debt to the State as defined by the Debt Collection Board. CONTRACTOR further acknowledges that the Treasurer's Office may declare the Agreement void if this certification is false or if CONTRACTOR or any affiliate is determined to be delinquent in payment of any debt during the term of the Agreement.

22.0 EDUCATIONAL LOAN DEFAULT.

CONTRACTOR certifies that it is not barred from being awarded a contract under the Educational Loan Default Act (5 ILCS 385). Section 3 of the Educational Loan Default Act prohibits an individual from entering into a contract with the Treasurer's Office if that individual is in default of an educational loan. CONTRACTOR further acknowledges that the Treasurer's Office may declare the Agreement void if this certification is false or if CONTRACTOR is determined to be in default of an educational loan during the term of the Agreement.

23.0 FORCE MAJEURE.

Failure by either party to perform its duties and obligations shall be excused by unforeseeable circumstances beyond its reasonable control, including acts of nature, acts of the public enemy, riots, labor or material shortages, labor disputes, fire, flood, explosion, legislation, and governmental regulation.

24.0 ANTITRUST ASSIGNMENT.

CONTRACTOR hereby assigns, sells and transfers to the State of Illinois all right, title and interest in and to any claims and causes of action arising under antitrust laws of Illinois or the United States relating to the subject matter of the Agreement.

25.0 PROHIBITION OF GOODS FROM FORCED LABOR.

CONTRACTOR certifies that it is not barred from being awarded a contract under the State Prohibition of Goods from Forced Labor Act (30 ILCS 583). Section 10 of the State Prohibition of Goods from Forced Labor Act prohibits a contractor from entering into a contract with the Treasurer's Office if that contractor knew that the foreign-made equipment, materials, or supplies furnished to the State were produced in whole or part by forced labor, convict labor, or indentured labor under penal sanction. CONTRACTOR further acknowledges that the Treasurer's Office may declare the Agreement void if this certification is false or if CONTRACTOR is determined to have known that the foreign-made equipment, materials, or supplies furnished to the State during the term of the Agreement were produced in whole or part by forced labor, convict

labor, or indentured labor under penal sanction.

26.0 PROHIBITION OF GOODS FROM CHILD LABOR.

CONTRACTOR certifies in accordance with Public Act 94-0264 that no foreign-made equipment, materials, or supplies furnished to the State under the contract have been produced in whole or in part by the labor of any child under the age of 12.

27.0 SARBANES-OXLEY ACT AND ILLINOIS SECURITIES LAW

CONTRACTOR certifies that it is not barred from being awarded a contract or subcontract under section 50-10.5 of the Illinois Procurement Code (30 ILCS 500). Section 50-10.5, amongst other things, prohibits a contractor from bidding or entering into a contract or subcontract with the Treasurer's Office if the contractor or any officer, director, partner, or other managerial agent of the contractor has been convicted in the last 5 years of a felony under the Sarbanes-Oxley Act of 2002 or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953 or if the contractor is in violation of Subsection (e). CONTRACTOR further acknowledges that the Treasurer's Office may declare the agreement void if this certification is false or if CONTRACTOR is determined to have been convicted of a felony under the Illinois Sarbanes-Oxley Act of 2002 or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953 during the term of the agreement.

28.0 DISPUTES.

Any claim against the State arising out of this Agreement must be filed exclusively with the Illinois Court of Claims (705 ILCS 505/1). The State shall not enter into binding arbitration to resolve any agreement dispute. The State of Illinois does not waive sovereign immunity by entering into this Agreement. Any provision containing a citation to an Illinois statute (cited "ILCS") may not contain the complete statutory language. The official text, which is incorporated by reference, may be found in the appropriate chapter and section of the Illinois Compiled Statutes. An unofficial version may be viewed at www.ilga.gov.

29.0 THIRD-PARTY PAYMENTS.

CONTRACTOR certifies that no fee was paid to a third-party in expectation of being awarded a contract by the Treasurer.

30.0 MOST FAVORABLE TERMS.

If more favorable terms are granted by the CONTRACTOR to any similar governmental agency in any state in a contemporaneous agreement let under the same or similar financial terms and circumstances for comparable supplies or services, the more favorable terms will be applicable under the Agreement between the Treasurer's Office and the CONTRACTOR.

31.0 BOARD OF ELECTIONS REGISTRATION

_____ The CONTRACTOR certifies that they are **not required to register** as a business entity with the State Board of Elections pursuant to the Illinois Procurement Code (30 ILCS 500/20-160). Further, the CONTRACTOR acknowledges that all contracts or subcontracts between State agencies and a business entity that do not comply with this Section shall be voidable under Section 50-60 of the Illinois Procurement Code (30 ILCS 500/50-60).

(or)

_____ The CONTRACTOR certifies that they **have registered** as a business entity with the State Board of Elections and acknowledges a continuing duty to update the registration pursuant to the Illinois Procurement Code (30 ILCS 500/20-160). Further, the CONTRACTOR acknowledges that all contracts or subcontracts between State agencies and a business entity that do not comply with this Section shall be voidable under Section 50-60 of the Illinois Procurement Code (30 ILCS 500/50-60).

32.0 COLLECTION AND REMITTANCE OF ILLINOIS USE TAX

The CONTRACTOR certifies that it is not barred from being awarded a contract under section 50-12 of the Illinois Procurement Code (30 ILCS 500/50-12). Section 50-12 prohibits a contractor from entering into a contract or subcontract with a State agency if the CONTRACTOR or affiliate has failed to collect and remit Illinois Use Tax on all sales of tangible personal property into the State of Illinois in accordance with the provisions of the Illinois Use Tax Act. The CONTRACTOR further acknowledges that the contract or subcontract may be voided if this certification is false.

33.0 ENVIRONMENTAL PROTECTION ACT VIOLATIONS

The CONTRACTOR certifies that it is not barred from being awarded a contract or subcontract under section 50-14 of the Illinois Procurement Code (30 ILCS 500/50-14). Section 50-14 prohibits a CONTRACTOR from entering into a contract or subcontract with a State agency if the CONTRACTOR has been found by a court or the Pollution Control Board to have committed a willful or knowing violation of the Environmental Protection Act within the last (5) years. The CONTRACTOR further acknowledges that the contracting State agency may declare the related contract or subcontract void if this certification is false.

34.0 LEAD POISONING PREVENTION ACT VIOLATIONS

The CONTRACTOR certifies that it is not barred from entering into a contract or subcontract under section 50-14.5 of the Illinois Procurement Code (30 ILCS 500/50-14.5). Section 50-14.5 prohibits a CONTRACTOR from entering into a contract or subcontract with the State of Illinois or a State agency if the CONTRACTOR, while the

owner of a residential building, committed a willful or knowing violation of the Lead Poisoning Prevention Act. The CONTRACTOR further acknowledges that the Treasurer may declare the related contract or subcontract void if this certification is false.

35.0 BOND ISSUANCES

The CONTRACTOR certifies that it is not barred from being awarded a contract or subcontract under section 50-21 of the Illinois Procurement Code (30 ILCS 500/50-21). Section 50-21 prohibits State agencies from entering into contracts or subcontracts with respect to the issuances of bonds or other securities by the State or a State agency with any entity that uses an “independent consultant” as defined in section 50-21.

36.0 POLITICAL CONTRIBUTIONS

The CONTRACTOR certifies that it is not barred from being awarded a contract or subcontract under section 50-37 of the Illinois Procurement Code (30 ILCS 500/50-37). Section 50-37 prohibits business entities whose contracts with State agencies, in the aggregate, annually total more than \$50,000, or whose aggregate pending bids and proposals on State contracts total more than \$50,000, and any affiliated entities or affiliated persons of such business entity, from making any contributions to any political committee established to promote the candidacy of the office holder responsible for awarding the contract on which the business entity has submitted a bid or proposal during the period beginning on the date the invitation for bids or request for proposals are issued and ending on the day after the date the contract is awarded.

37.0 LOBBYING RESTRICTIONS

The CONTRACTOR certifies that it is not barred from being awarded a contract or subcontract under section 50-38 of the Illinois Procurement Code (30 ILCS 500/50-38). Section 50-38 prohibits a CONTRACTOR from billing the State for any lobbying costs, fees, compensation, reimbursements, or other remuneration provided to any lobbyist who assisted the CONTRACTOR in obtaining the contract or subcontract.

38.0 DISCLOSURE OF BUSINESS OPERATIONS WITH IRAN (30 ILCS 500/50-36)

Each bid, offer, or proposal submitted for a State contract, other than a small purchase defined in Section 20-20 [of the Illinois Procurement Code], shall include a disclosure of whether or not the bidder, offeror, or proposing entity, or any of its corporate parents or subsidiaries, within the 24 months before submission of the bid, offer, or proposal had business operations that involved contracts with or provision of supplies or services to the Government of Iran, companies in which the Government of Iran has any direct or indirect equity share, consortiums or projects commissioned by the Government of Iran and:

(1) more than 10% of the company’s revenues produced in or assets located in Iran involve oil-related activities or mineral-extraction activities; less than 75% of the company’s revenues produced in or assets located in Iran involve contracts with or provision of oil-related

or mineral – extraction products or services to the Government of Iran or a project or consortium created exclusively by that Government; and the company has failed to take substantial action; or

(2) the company has, on or after August 5, 1996, made an investment of \$20 million or more, or any combination of investments of at least \$10 million each that in the aggregate equals or exceeds \$20 million in any 12- month period that directly or significantly contributes to the enhancement of Iran’s ability to develop petroleum resources of Iran.

You must check one of the following items and if item 2 is checked you must also make the necessary disclosure:

There are no business operations that must be disclosed to comply with the above cited law.

The following business operations are disclosed to comply with the above cited law:

CONTRACTOR

By:

Signature

Name

Title

Date

DISCLOSURES
FINANCIAL INTEREST AND POTENTIAL CONFLICTS OF INTEREST

(Disclosure Form A)

The Treasurer's Procurement Regulations (44 Ill. Adm. Code 1400.5035) require that contractors/offers desiring to enter into certain contracts with the State of Illinois must disclose the financial and potential conflicts of interest information as specified below.

Contractor/offers shall disclose the financial interest and potential conflicts of interest information identified in Sections 1 and 2 below as a condition of receiving an award or contract. Submit this information along with your bid, proposal or offer.

This requirement applies to contracts with an annual value exceeding \$10,000.

A publicly traded entity may submit its 10K disclosure in satisfaction of the disclosure requirements set forth in both Sections 1 and 2 below.

Sec. 1. Disclosure of Financial Interest in the Contractor/Offers

- a. If any individuals have one of the following financial interests in the contractor/offers (or its parent), please check all that apply and show their name and address:

Ownership exceeding 5%	(____)
Ownership value exceeding \$106,447.20	(____)
Distributive Income Share exceeding 5%	(____)
Distributive Income Share exceeding \$106,447.20	(____)

Name: _____

Address: _____

- b. For each individual named above, show the type of ownership/distributable income share: sole proprietorship _____ stock _____ partnership _____ other _____ (explain)

- c. For each individual named above, show the dollar value or proportionate share of the ownership interest in the contractor/offers (or its parent) as follows:

If the proportionate share of the named individual(s) in the ownership of the contractor/offers (or its parent) is 5% or less, and if the value of the ownership interest of the named individual(s) is \$106,447.20 or less, check here (____)

If the proportionate share of ownership exceeds 5% or the value of the ownership interest exceeds \$106,447.20, show either.

The percent of ownership _____%

or

The value of the ownership interest \$ _____

Sec. 2. Disclosure of Potential Conflicts of Interest. For each of the individuals having the level of financial interest identified in Section 1 above, check “Yes” or “No” to indicate which, if any, of the following potential conflicts of interest relationships apply. If “Yes,” please describe (use space under applicable section to explain your answers – attach additional pages as necessary).

- | | | | |
|----|--|--------------|-------------|
| a. | State employment, currently or in the previous 3 years, including contractual employment of services | Yes
_____ | No
_____ |
| b. | State employment for spouse, father, mother, son, or daughter, including contractual employment for services in the previous 2 years. | Yes
_____ | No
_____ |
| c. | Elective status; the holding of elective office of the State of Illinois, the government of the United States, any unit of local government authorized by the Constitution of the State of Illinois, or the statutes of the State of Illinois currently or in the previous 3 years. | Yes
_____ | No
_____ |
| d. | Relationship to anyone holding elective office currently or in the previous 2 years; spouse, father, mother, son, or daughter. | Yes
_____ | No
_____ |
| e. | Appointive office; the holding of any appointive government office of the State of Illinois, the United States of America, or any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois, which office entitles the holder to compensation in excess of expenses incurred in the discharge of that office currently or in the previous 3 years. | Yes
_____ | No
_____ |
| f. | Relationship to anyone holding appointive office currently or in the previous 2 years; spouse, father, mother, son, or daughter. | Yes
_____ | No
_____ |
| g. | Employment, currently or in the previous 3 years, as or by any registered lobbyist of the State government. | Yes
_____ | No
_____ |
| h. | Relationship to anyone who is or was a registered lobbyist in the previous 2 years; spouse, father, mother, son, or daughter. | Yes
_____ | No
_____ |
| i. | Compensated employment, currently or in the previous 3 years, by any registered election or re- | Yes
_____ | No
_____ |

election committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee with either the Secretary of State or the Federal Board of Elections.

- | | | | |
|----|--|--------------|-------------|
| j. | Relationship to anyone; spouse, father, mother, son, or daughter, who is or was a compensated employee in the last 2 years of any registered election or re-election committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections. | Yes
_____ | No
_____ |
|----|--|--------------|-------------|

This disclosure is submitted on behalf of

(Name of Contractor/Offeror)

Official authorized to sign on behalf of contractor/offeror:

Name (printed) _____ Title _____

Signature _____ Date _____

DISCLOSURES
OTHER CONTRACT AND PROCUREMENT RELATED INFORMATION
(Disclosure Form B)

The Treasurer’s Procurement Regulations (44 Ill. Adm. Code 1400.5035) require that contractors/offers desiring to enter into certain contracts with the State of Illinois must disclose the information as specified below.

Contractor/offeror shall disclose the information identified below as a condition of receiving an award or contract.

This requirement is applicable to only those contracts with an annual value exceeding \$10,000.

You must submit this information along with your bid, proposal or offer.

- a. Contractor/offeror shall identify whether it has current contracts (including leases) with other units of State of Illinois government by checking “Yes” _____ or “No” _____.

If “Yes” is checked, identify each contract by showing agency name and other descriptive information such as purchase order or contract reference number (attach additional pages as necessary).

- b. Contractor/offeror shall identify whether it has pending contracts (including leases), bids, proposals, or other ongoing procurement relationships with other units of State of Illinois government by checking “Yes” _____ or “No” _____.

If “Yes” is checked, identify each such relationship by showing agency name and other descriptive information such as bid or project number (attach additional pages as necessary).

This disclosure is submitted on behalf of _____
(Name of Contractor/Offeror)

Official authorized to sign on behalf of contractor/offeror:

Name (printed) _____ Title _____

Signature _____ Date _____