



OHIO DEFERRED COMPENSATION

OHIO PUBLIC EMPLOYEES DEFERRED COMPENSATION PROGRAM

OHIO DEFERRED COMPENSATION REQUEST FOR PROPOSALS (RFP) FOR COMPREHENSIVE SECURITY ASSESSMENT CONSULTANT

Issue Date: December 7, 2016

Written Question Deadline: January 11, 2016

Proposal Deadline: February 5, 2016, 4:00 p.m.
Ohio Deferred Compensation
Doug Lepper
257 E. Town St., Ste 400
Columbus, OH 43215-4623

RFP Contact: Doug Lepper
Information Technology Manager
Phone: (614) 466-7245
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Email: dlepper@OhioDC.org

Description: The Ohio Deferred Compensation Program is requesting proposals for the purpose of engaging an Information Technology Security Consultant (Consultant) to complete ongoing comprehensive security assessments for the Program.

A copy of this RFP can be obtained from the Ohio Deferred Compensation website at OhioDC.org. Until the expiration date of this solicitation, it is incumbent upon the Consultant to check the website for additional information and/or addendums. RFPs can also be obtained from Ohio Deferred Compensation, 257 E. Town St., Ste 400, Columbus, OH 43215-4623. If you have any questions, please call (614) 466-7245.

Written questions regarding the substance of the RFP or scope of services must be submitted via email to the contact listed above no later than the Written Question Deadline indicated above.

Sealed Proposals are due prior to the Proposal Deadline indicated above and must be delivered to Ohio Deferred Compensation, located at 257 E. Town St., Ste 400, Columbus, OH 43215. Late proposals will not be accepted – NO EXCEPTIONS.

Summary of Key Items Required for a Valid Proposal

- 1. Transmittal Letter affirming authorized representative.**
- 2. 3 hard copy Technical proposals, and one electronic copy of the Technical Proposal only are due prior to the Proposal Deadline indicated on page 1 and must be delivered to Ohio Deferred Compensation, located at 257 East Town Street, Suite 400, Columbus, OH 43215. The electronic copy of the proposal can be sent to dlepper@ohiodc.org.**
- 3. Separate sealed hard copy of the cost proposal must also be delivered to Ohio DC on or before the Proposal Deadline on page 1.**

Late proposals will not be accepted.

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I. CALENDAR OF EVENTS

The following is the time schedule for Ohio Deferred Compensation to search for Consultants to provide the requested services. All dates are subject to modification by Ohio Deferred Compensation.

December 7, 2015	Release of RFP
January 5, 2016	Deadline for Submission of Letter of Intent
January 11, 2016	Deadline for receipt of written questions regarding this RFP
January 18, 2016	Responses to all written questions will be emailed to all Consultants that submit a Letter of Intent
February 5, 2016, @4:00 p.m.	Deadline for receipt of completed technical and cost proposals
February 17, 2016	Consultant selected
March 2, 2016	Contract negotiations and draft contract complete
June 1, 2016	Work begins on security assessment / second quarter vulnerability scanning
July 11, 2016	Draft security assessment report completed and reviewed with Ohio DC staff
September 20, 2016	Security assessment report presentation to Board (date tentative)

Ohio Deferred Compensation reserves the right to amend the Calendar of Events as needed and to establish similar dates for future years' security assessments and vulnerability scanning.

II. INTRODUCTION

The Ohio Public Employees Deferred Compensation Board (Board) is seeking an Information Technology Security Consultant (Consultant) to provide ongoing comprehensive security assessments for the Ohio Public Employees Deferred Compensation Program (Program). The Consultant must be available to provide the first system vulnerability scan before March 31, 2016. The complete security assessment will begin on or about June 01, 2016.

The Board operates through its Executive Director and staff, and references to the Board in the request for proposal (RFP) should generally be construed as such for day-to-day operations and reporting. The Board meets six times per year, in alternating months, plus an annual strategic planning meeting. The Consultant will meet with management staff to review the draft report on or before July 11, 2016. The Consultant will attend the September Board meeting to present a final report and recommendations to the Board. This meeting is currently scheduled for September 20, 2016. However, this is subject to change by the Board.

The Background section that follows provides a brief description of Program operations and generally describes the level of services that are provided. This description is not an exhaustive list of the services provided and the respondent should evaluate the services needed based on their knowledge and experience in servicing defined contribution plans in the public sector marketplace. Visit the Program's participant website at Ohio457.org to view general information about the Program

III BACKGROUND AND GENERAL INFORMATION

The Program is an eligible deferred compensation plan and is administered in accordance with Section 457 of the Internal Revenue Code. The Program provides a supplemental retirement savings plan for public employees in Ohio who are covered by one of the State-authorized pension systems. Eligible employees are not covered by Social Security.

The Program is a separate legal entity and is not considered a component unit of the State of Ohio. All assets of the Program are held in trust for the exclusive benefit of participants and their beneficiaries. The Program's current *Comprehensive Annual Financial Report*, which includes statistical information regarding Program participation, is available at the Program's employer website Ohio457.org.

Currently, more than 1,800 different public employers throughout Ohio participate in the Program. Total Program assets exceed \$11 billion.

Enrollment, education, and customer service is provided by Nationwide. The Board has contracted for the period July 1, 2014 through June 30, 2019 with Nationwide to be the exclusive enrollment, education, and customer service provider for the Program.

As the Program's educator and enroller, Nationwide develops, designs, prints and distributes all promotional and educational materials. Nationwide is also responsible for providing the participant transactional based automated telephone system and transactional website at OhioDC.org.

The Program is a unique organization, because Nationwide does not perform recordkeeping or select investment options. Participant information and activity is forwarded from Nationwide to the Program office, and daily recordkeeping is maintained in-house on the Program's computer systems.

Security Assessment History

Beginning in 2007, the Program implemented a policy requiring Staff to complete a comprehensive security assessment every two years, to review the Program's internal controls and security of the information systems. As a result, security assessments were completed in 2007, 2009, 2011, 2013, and 2015. Due to the rapid advancement of technology and increase in external security threats, the Board and Staff modified the policy to require annual security assessments and is also requesting quarterly vulnerability scans beginning in 2016.

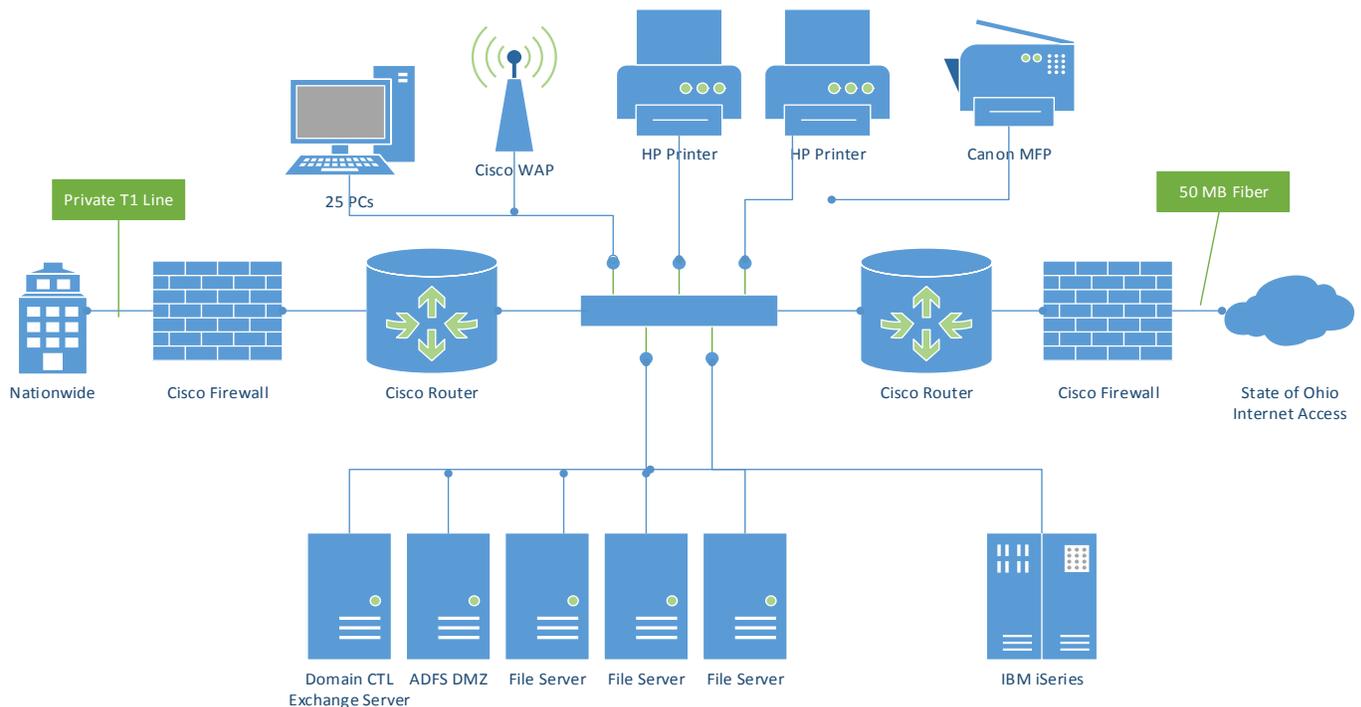
Hardware and Software

Ohio DC utilizes an internal Ethernet local area network (LAN) with five Dell PowerEdge servers and an IBM iSeries 520 system. The Dell servers perform as domain controllers, file servers, print servers, and a Microsoft Exchange server. The IBM iSeries 520 system hosts Ohio DC's recordkeeping system. The internal LAN is attached to a 50 MB fiber line for access to the internet and a private T1 line connects the LAN to Nationwide's data center. The diagram below provides more details about Ohio DC's current technology architecture.

Currently, Ohio DC is working in conjunction with Hewlett Packard Enterprise Inc. to modernize the Program's recordkeeping system. The new system, scheduled for completion in April 2018 will be a .net based application hosted in a cloud environment using Microsoft Azure. Ohio DC does not foresee a significant impact to security assessment scope in 2016. However, the scope could change in 2017 as the project progresses. Ohio DC will work with the Consultant to negotiate any additional costs resulting from a change in scope.



Network Overview



IV. GENERAL CONDITIONS

The Program makes no representations or warranties, expressed or implied, as to the accuracy or completeness of the information in the RFP and nothing contained herein is or shall be relied upon as a promise or representation, whether as to the past or the future. The RFP does not purport to contain all of the information that might be required to evaluate the RFP and any recipient hereof should conduct its own independent analysis of the Program and the data contained or referenced herein.

The Program reserves the right, at its sole discretion and without giving reasons or notice, at any time and in any respect, to alter these procedures, to change and alter any and all criteria, to terminate discussions, to accept or reject any response, in whole or in part, to negotiate modifications or revisions to a response, and to negotiate with any one or more respondents to the RFP. This RFP may be withdrawn, modified, or re-circulated at any time at the sole discretion of the Program.

The Program is not and will not be under any obligation to accept, review, or consider any responses to the RFP and is not and will not be under any obligation to accept the lowest offer submitted or any offer at all. The Program is not and will not be under any obligation to any recipient of, or any respondent to, the RFP except as expressly stated in any binding agreement ultimately entered into with one or more parties, either as part of this RFP process, or otherwise.

This RFP is not an offer but a request to receive a response. The Program will consider a response as an offer to develop an agreement based on the contents of the response. Consultants agree that the contents of their responses are valid for one year from the date of submission.

Amendments to RFP—The Program reserves the right to provide any additional information or responses to questions received prior to the deadline for submission of proposals. In the event it becomes necessary to amend any part of this RFP, the Program will provide copies of the amendment to all Consultants who submitted a Letter of Intent.

BID REQUIREMENTS

- All proposals become the property of the Program and will not be returned to the Consultant. All proposals submitted are subject to Ohio Public Records law, and the documents submitted pursuant to this RFP may be subject to a public records request. The Consultant must identify any material or documents that are confidential and clearly mark those items or documents at the time of submittal. If a request for records is made, the Program will make reasonable efforts to contact the Consultant in sufficient time to allow the Consultant to take appropriate legal steps to protect the confidential information from disclosure.
- Failure to adequately furnish information specifically required in this RFP could result in the disqualification of a proposal.
- Consultants must agree to honor the cost proposals for a period of six months from the date of submission.
- The Program will notify all unsuccessful Consultants regarding the Board's selection of a Consultant.

This RFP and Consultant responses submitted in the selected proposal will become part of the resulting contract and binding through the contract term, except as amended by mutual agreement.

V. CONTRACT REQUIREMENTS

This section states the minimum requirements of a contract to provide the services described in this RFP. It is not expected that any services would be sub-contracted by the Consultant.

Miscellaneous Provisions:

Consultant taking exception to any provision below may be rejected as non-responsive. The following provisions shall be included in the contract between the parties:

- (1) It is expected that the contract shall have an initial term of two-years. Ohio DC will have the option to extend the contract one additional year.
- (2) The Program may terminate the contract if any significant or substantial change occurs in the ownership or control of the Consultant.
- (3) The parties to any contract or contract amendment shall be the Program and the Consultant.
- (4) The Consultant may not subcontract the furnishing of any significant work or services under the contract without the express written approval of the Program.
- (5) The Consultant shall notify the Program in writing of its intent to replace any key personnel whose responsibilities include significant work or services under the contract. The Program reserves the right to reject any proposed personnel changes that the Program, in its sole discretion, finds unsatisfactory.
- (6) If, during the contract term, the Consultant, or any subsidiary, principle owner (10% or more), affiliate, or sub-contractor is involved as plaintiff or defendant in any litigation that is related to your Consultant servicing of the Program, this fact shall be promptly disclosed to the Program.
- (7) The Consultant shall be authorized to do business in the State of Ohio prior to the contract initiation day.
- (8) The Consultant shall comply with all applicable laws, including licensing requirements of the State and Federal government and with applicable accreditation and other standards of quality generally accepted in the field of Consultant activities.
- (9) The officers, employees, and agents of the Consultant will act in an independent capacity concerning the terms of the contract and will neither act nor be considered as employees of the Program or of any political subdivision thereof.
- (10) The Consultant also agrees that it will abide by Program policies and practices regarding the security of participant data and will immediately notify the Program of any breach of such data.

- (11) The Consultant shall agree that it will not use any information concerning individual Program participants, information collected under the contract or other Program data for any purpose other than to fulfill its duties under the contract.
- (12) If at any time during the existence of the contract the Consultant fails to observe or perform any term, condition, stipulation, agreement, provision, or obligation of the Consultant hereunder or becomes insolvent or if an application or petition in bankruptcy is filed by or against the Consultant, the Consultant shall be in default of the contract without any demand, notice, or putting in default, as time is of essence to the Consultant's satisfactory observance and performance and any failure by the Consultant in this respect shall constitute an active breach of the contract.
- (13) The Consultant shall agree to hold harmless and indemnify the State of Ohio, the Board, the Program, the participants, the Board members and its employees against all losses and liability and shall defend them against all claims and legal actions arising from the acts or omissions of the Consultant or any of its officers and employees in servicing the Program, insofar as such acts or omissions were not specifically directed by the Board nor were necessarily implicit therein.
- (14) The Consultant must subscribe to the Ohio Ethics laws regarding business conducted with a State Board.
- (15) The Program may terminate the agreement without cause by providing 60 days written notice to the Consultant. Upon receipt of the final invoice, the Consultant will be compensated for all services received prior to the contract termination.
- (16) Any provision of any contract arising hereunder is severable if that provision is in violation of the laws of the State of Ohio or the United States, or becomes inoperative due to changes in State or Federal law, or applicable State or Federal regulations.
- (17) Neither the benefits nor the burden of the contract will be assigned or delegated by the Consultant either in whole or in part or in any other manner without the written consent of the Program. Any assignment, pledge, sub-contract, or hypothecation of right or responsibility to any person, firm, or corporation shall be fully explained and detailed in the proposal.
- (18) The contract shall be subject to and governed by the laws of the State of Ohio.
- (19) The Consultant agrees that Consultant, subcontractor, and any person acting on behalf of Consultant or subcontractor, will not discriminate, by reason of race, color, religion, gender, sexual orientation, age, handicap, national origin, or ancestry against any citizen of this State in the employment of any person qualified and available to perform the work under this Agreement. The Consultant further agrees that Consultant or subcontractor shall not, in any manner, discriminate against, intimidate, or retaliate against any employee hired for the performance of work under this Agreement on account of race, creed, color, religion, gender, sexual orientation, age, handicap, national origin, or ancestry.
- (20) Any exceptions, modifications, or additions to the contract requirements shall only be effective upon mutual written agreement signed by both parties.

VI. SCOPE OF SERVICES

The Program is seeking a Consultant to provide the following services:

The principal duty, function and responsibility of the Consultant are to act in the capacity of security assessment Consultant to the Board. The following list is not intended to be exhaustive, but rather illustrative of the types of services required by the Board:

- Security Policy Review
- Physical Security Review
- Internet Penetration Testing
- Quarterly Vulnerability Scanning
- Remote Access Security Testing including Virtual Private Network Assessments
- Network Architecture Review
- Host Diagnostic Reviews
- Firewall Diagnostic Reviews
- Social Engineering
- Security Awareness Program Review
- Incident Response Program Review
- Evaluation of security risks related to Nationwide data access

Consultants should also recommend additional services to be provided as part of this engagement. The cost of each additional service proposed shall be listed as a separate cost item in the cost proposal.

Deliverables

Upon completion of the security assessment, the Consultant should provide an initial draft of the security assessment report. The report should contain the following:

- An executive summary that includes the assessment objective and scope as well as a high level list of the findings
- Detailed explanation of all assessment findings
- Rating of the associated risk (Low, Medium, High or equivalent rating scale)
- Comprehensive recommendations for resolving the finding
- Any related reference material
- Second quarter report of vulnerable scanning results

The consultant should be prepared review the draft report with the IT Manager and other staff as needed. Management responses will be provided to the Consultant that will be included in the final report.

Upon completion of the quarterly vulnerability scanning, the Consultant should provide a report outlining any vulnerabilities and recommendations for resolution.

1. 1st Quarter Scanning complete by March 31.
2. 2nd Quarter Scanning completed during the Security Assessment
3. 3rd Quarter Scanning complete by August 31.
4. 4th Quarter Scanning complete by December 31.

The Consultant will be required to provide the following final deliverables:

- One electronic copy and four physical copies of the complete final report
- Fifteen copies of the Executive Summary for presentation to the Board

VII. TECHNICAL PROPOSAL

For purposes of responding to this RFP, the Consultant should assume an exclusive contract will be awarded.

All proposals must restate each item in the Technical Proposal and record your company's response directly below the item. Responses should be provided in order and reference the corresponding item number. Please contact Doug Lepper (dlepper@ohiodc.org) or visit our website at Ohio.DC.org to obtain an electronic version of this document to assist you in preparing your responses.

COMPANY INFORMATION

1. State the name and address of your company. Provide the name, title, address, telephone, and fax number of the contact person from your company who should be contacted with questions regarding your response. Give a brief history of your company. Provide this information for sub-contractors as well.
2. Does your company accept all the terms as outlined in the General conditions and Contract Requirements Sections?

If the answer is "NO," state any exceptions you have to the Contract Requirements and Contract Provisions. State the reason for the exception and the substitution offered.

3. Describe the organization of the firm and the range of services it provides, its underlying philosophy or mission statement as (type of) Consultant, and any organizational aspects that uniquely qualify the firm for this assignment.
4. Is your company a subsidiary or affiliate of another company? Give full disclosure of all direct or indirect ownership and type of relationship with affiliate companies, including the business nature of each.
5. Describe any significant developments in your organization within the last three years, such as changes in ownership, personnel reorganization and staff departures.

6. Describe any near-term changes in your organization's basic ownership structure or any other significant changes in your organization that you anticipate.
7. Within the last five years, has your organization, an officer, or principal been involved in any business litigation or other legal proceedings relating to your (services to be provided)? If so, provide an explanation and indicate the current status or disposition.
8. In the last five years, has your company had a contract terminated by a client for cause? If so, by whom and under what circumstances? Provide the name and telephone number of each client that has terminated your company's services. Explain the circumstances for termination.
9. State whether your firm or an affiliate provides services that could be considered a conflict of interest.
10. Provide a current list of five (5) comparable clients, including name, contact, telephone number, and the product(s) or services the client uses. The Program may contact any of these clients as references.
11. Provide the resumes of all principals, other professionals and support employees expected to be assigned to this account. Include their length and type of experience in pension consulting/advising services, length of employment with current firm, and any specialty expertise they possess.
12. Describe your contingency plan if for any reason the professionals and support employees assigned to this account are not available to finish the project within the stated timeline.
13. Ohio DC requires the Consultant to carry comprehensive liability insurance which includes general liability, and professional liability to include errors and omissions/cyber risk with a minimum coverage limit of 5 million dollars.

Insurance certificates must be submitted and accepted by Ohio DC prior to the commencement of work under this RFP and accompanying contract. Failure to obtain insurance satisfactory to Ohio DC will result in the rescission of any Notice of Award to the offeror. Any contract awarded shall be void if this requirement is not met.
14. Detail the procedures you would take if a participant data breach occurred. What remedial action would you take to address a data breach?

SERVICE PROPOSAL

Fully describe how your company intends to provide the services necessary to meet the requirements outlined in section V. Provide a timeline and action steps for the completion of the proposed scope of services. All services must be addressed in your response.

VIII. COST PROPOSAL

A cost proposal must be prepared and submitted with the Consultant service proposal under separate sealed cover. No electronic copy will be accepted.

Your cost proposal must include total projected fees charged to the Program based on the projected service you have proposed. The cost proposal should be detailed and complete in all respects and provide all the information the Program would need to calculate the fees that would be paid to the Consultant based on the variables contained within the proposed fee structure. If the Program decides to significantly change the scope of service outlined in section VI, the cost proposal must provide a sufficient itemized breakdown so that the Program can determine the effect on the total proposed cost. Include in your cost proposal the type and amount of extraordinary one-time start-up costs your company will incur to commence with the project.

- (1) Describe in detail your proposed fee arrangement for the services proposed including a definition of all elements that make up your proposed compensation arrangement. Provide the variables you have used in developing your cost proposal.
- (2) Describe in your cost proposal the cost to present the results and findings to the staff and Program as required in this proposal including any travel, printing, postage or other miscellaneous costs.
- (3) All Consultants are required to fully address all items in the cost proposal. Failure to fully complete the cost proposal might result in the cost proposal not being accepted
- (4) The cost proposal must include the total fees that would be charged to the Program in the initial two-year period. The proposal must also include the total fee if the engagement is extended for an additional one-year period.

VIII. EVALUATION CRITERIA AND SELECTION PROCESS

Any proposal that does not adhere to the RFP format as specified may be considered nonresponsive and not subject to further evaluation.

This section of the RFP briefly outlines the key criteria for the evaluation of proposals and determination of which Consultant is to be given further consideration. Other factors may be considered that are believed to be material for the final selection.

- (1) Quality of the Consultant's proposal as an indicator of its probability for success.
- (2) Consultant's qualifications and experience as indicated in its listing of current major clients, including established record of success with similar projects.
- (3) Professional qualifications and experience of principal employees who will work on this project.
- (4) Depth of knowledge, experience, and resources of the Consultant to provide the services.
- (5) Significant consideration will be given to the proposed fee structure and estimated costs, but price will not be the sole determining factor.

IX. INSTRUCTIONS FOR SUBMITTING PROPOSALS

A. Letter of Intent:

Each interested Consultant should submit a Letter of Intent to propose. This letter should be received by the Board at the address set forth in Section IX(G) below, no later than **January 5, 2016** in writing or email. Failure to submit the Letter of Intent may result in the Consultant not receiving responses to questions or amendments to the RFP. The letter shall indicate the Consultant's intent to propose, and a contact person's name, address, and telephone number. The Letter of Intent should also include a statement that the letter is being submitted by a person authorized to bind the proposer.

B. Questions Concerning the RFP:

Questions regarding this RFP must be submitted in writing by email not later than January 11, 2016 and addressed to:

Doug Lepper
Information Technology Manager
Ohio Public Employees Deferred Compensation Program
257 East Town Street, Suite 400
Columbus, OH 43215-4623

EMAIL: dlepper@ohiodc.org

Questions and answers will be distributed to all Consultants who have returned a Letter of Intent by January 18, 2016. No verbal responses are to be relied upon.

D. Questions by Ohio DC Staff

Staff may present a Consultant with written questions about its proposal. The response to the Staff's question(s) shall also be submitted in writing and shall be incorporated as part of the proposal.

E. Transmittal Letter

The Consultant's proposal must be accompanied by a transmittal letter, signed by an individual authorized to bind the company and including the following statement: "The information presented in this proposal by **(Company Representative)** is correct to the best of our knowledge and belief as of the date submitted. The individual executing this document on behalf of **(Company Name)** is authorized to execute documents of this nature under the scope of his/her employment responsibilities."

F. Submission Format

A Consultant's proposal must be recorded on Standard 8.5" X 11" size white paper. The proposal must be accompanied by a Transmittal Letter on the company's official letterhead, and be signed by an authorized officer of the company.

Restate each statement or question in the Technical Proposal and record your company's response directly below the statement or question. An Alternative Proposal can be submitted with the Technical Proposal but should be clearly marked as such. The Cost Proposal must be prepared and submitted under separate sealed cover in hard copy format only.

All costs of developing the proposals will be borne by the Consultants. The proposals and all related materials will become the property of the Program and will be subject to the Ohio Public Records Law.

The Program reserves the right to reject any proposal prior to or subsequent to its review of the separate sealed cost proposal. In the event that the Program rejects a proposal prior to review of the cost proposal, the sealed cost proposal will be returned to the Consultant.

G. Deadline for Submission of Proposal:

1. 3 hard copy Technical Proposals, and 1 electronic copy of the Technical proposal only, are due prior to the Proposal Deadline indicated on page 1. The electronic copy of the proposal can be sent to dlepper@ohiodc.org.
2. Separate Sealed hard copy of the cost proposal must also be delivered to Ohio DC on or before the Proposal Deadline on page 1.

Please send all proposal materials to:

Doug Lepper
Ohio Public Employees Deferred Compensation Program
257 East Town Street, Suite 400
Columbus, OH 43215-4623

NOTE: Packages (envelopes) must be clearly marked "TECHNICAL PROPOSAL." or "COST PROPOSAL," as appropriate. It is the responsibility of the Consultant to insure that proposals arrive on or before the prescribed time. No fax responses will be accepted. **NO LATE PROPOSALS WILL BE ACCEPTED.**

The Board reserves the right to accept or reject any or all proposals if it deems that doing so is in the best interest of the Program.

Modifications to the proposal may be submitted prior to the date and time specified for receipt of responses. Copies of the modifications must be submitted as specified for the actual proposal above. Modifications must have "Modification - Company Name" marked in the lower left-hand corner of the envelope. No email or fax modifications will be accepted.