

REQUEST FOR PROPOSALS
FOR
Cybersecurity Insurance Brokerage and Consulting Services

ISSUING OFFICE
Commonwealth of Pennsylvania
Public School Employees' Retirement System (PSERS)

RFP NUMBER
PSERS RFP #2024-3

DATE OF ISSUANCE
July 19, 2024

Small Diverse Business (SDB) and Veteran Business Enterprise (VBE) Participation. The Issuing Office and the Department of General Services' Bureau of Diversity, Inclusion and Small Business Opportunities (BDISBO) has not set Small Diverse Business (SDB) and/or Veteran Business Enterprise (VBE) participation goals for this procurement. This procurement is either under the \$250,000 threshold for setting SDB and VBE Participation goals, or the Issuing Office and BDISBO have determined that the SDB and/or VBE participation opportunities for the scope of work for this procurement are de minimis. In addition, there will be no points allocated toward SDB/SB participation for this procurement.

REQUEST FOR PROPOSALS FOR
Cybersecurity Insurance Brokerage and Consulting Services
PSERS RFP# 2024-3

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CALENDAR OF EVENTS

The Commonwealth will make every effort to adhere to the following schedule:

Activity	Responsibility	Date
Pre-Proposal Conference Call (Optional) (See Section I-7 for Teams meeting information and how to join the conference call.)	Potential Offerors	Tuesday, July 23, 2024 2:00 PM EDT
Deadline to submit questions via email to the Issuing Office at RA-psprocurement@pa.gov :	Potential Offerors	Tuesday, July 30, 2024 5:00 PM EDT
Answers to Potential Offeror questions will be posted on eMarketplace no later than this date. http://www.emarketplace.state.pa.us/Search.aspx	Issuing Office	Friday, August 2, 2024 5:00 PM EDT
Monitor website for all communications regarding the RFP.	Potential Offerors	N/A
Sealed proposal must be received by the Issuing Office at: Public School Employees' Retirement System ATTN: BOA/PCD RFP2024-3 5 North 5 th Street, Rm117-1 Harrisburg, PA 17101	Offerors	Monday, August 12, 2024 12:00 PM EDT
Finalist presentations if necessary. Offerors should be available to present in person if requested.	Selected Offerors	TBD

PART I

GENERAL INFORMATION

I-1. Purpose. This request for proposals (RFP) provides to those interested in submitting proposals for the subject procurement (“Offerors”) sufficient information to enable them to prepare and submit proposals for the **Public School Employees’ Retirement System’s (“PSERS”)** consideration on behalf of the Commonwealth of Pennsylvania (“Commonwealth”) to satisfy a need for **Cybersecurity Insurance Brokerage and Consulting Services (“Project”)**. This RFP contains instructions governing the requested proposals, including the requirements for the information and material to be included; a description of the service to be provided; requirements which Offerors must meet to be eligible for consideration; general evaluation criteria; and other requirements specific to this RFP.

I-2. Issuing Office. PSERS, Bureau of Administration, Purchasing and Contracting Division (“Issuing Office”) has issued this RFP on behalf of the Commonwealth. Its staff shall act as Issuing Officers. The sole point of contact in the Commonwealth for this RFP shall be the Issuing Office and can be contacted at:

PSERS
ATTN: BOA/ PCD RFP#2024-03
5 North 5th Street
Harrisburg, PA 17101
Email: RA-PSPROUREMENT@pa.gov

I-3. Overview of Organization and Project. PSERS is one of the oldest pension plans in the United States. Since 1917, PSERS has been serving the public school employees of the Commonwealth. PSERS is a governmental, cost-sharing, multiple-employer pension plan to which public school employers, the Commonwealth and school employees (members) contribute. PSERS was created by statute through the Public School Employees’ Retirement Code (Retirement Code) as a defined benefit plan; a qualified trust under Section 401(a) of the Internal Revenue Service Code (DB Plan; Fund). PSERS’ role expanded upon the passage of Act 5 of 2017, effective July 1, 2019, to include oversight of the School Employees’ Defined Contribution Plan, a separate qualified 401(a) defined contribution plan (DC Plan; Trust).

PSERS is the 34th largest plan among U.S. corporate and public pension plans, and the 21st largest state-sponsored public pension fund in the nation based on total plan assets according to a February 12, 2024, Pension & Investments survey. As of June 30, 2023, PSERS fiduciary net position was approximately \$72.1 billion.

As of June 30, 2023, PSERS had 770 participating school employers and approximately 251,000 active members. The annuitant membership, comprised of approximately

250,000 retirees and beneficiaries, received pension disbursements totaling \$7.58 billion. The average yearly pension benefit paid to annuitants was \$26,197.

In addition to retirement benefits, PSERS administers a Premium Assistance Program and a Health Options Program. The Premium Assistance Program provides a health insurance premium subsidy of up to \$100 per month for those retirees who qualify. As of June 30, 2023, there are approximately 93,000 retirees who receive this benefit. PSERS Health Options Program is a voluntary, statewide plan that provides group health insurance coverage for school retirees, their spouses and eligible dependents. The Health Options Program is entirely funded through participating member premiums with 124,000 annuitants and their dependents as of December 31, 2023.

Objectives.

- A. General.** PSERS seeks the services of a qualified and experienced insurance brokerage firm to assist PSERS in continued implementation of a cybersecurity insurance program and procurement of cybersecurity insurance.
 - B. Specific.** The specific objectives of this project are to engage a knowledgeable insurance broker to assist PSERS in:
 - 1. Performing a gap analysis of currently available insurance coverage to identify gaps in coverage or overlapping coverage with respect to cyber liability risks;
 - 2. Preparing a strategy and request to the underwriting market to address cyber liability risks;
 - 3. Reviewing all received policies and associated costs; and
 - 4. Conducting any other relevant tasks to address cyber liability risks through the implementation of a cyber liability insurance program.
- I-4. Type of Contract.** It is proposed that if the Issuing Office enters into a contract as a result of this RFP, it will be a **Fixed Fee** contract containing the Insurance Brokerage and Consulting Services Agreement as shown in **PART VII**, the Commonwealth Contract Terms and Conditions as shown in **PART V**, and the Data and Information Security Addendum as shown in **PART VI**. The Issuing Office, in its sole discretion, may undertake negotiations with Offerors whose proposals, in the judgment of the Issuing Office, show them to be qualified, responsible and capable of performing the Project.
- I-5. Rejection of Proposals.** The Issuing Office reserves the right, in its sole and complete discretion, to reject any proposal received as a result of this RFP.
- I-6. Incurring Costs.** The Issuing Office is not liable for any costs the Offeror incurs in preparation and submission of its proposal, in participating in the RFP process or in anticipation of award of the contract.

- I-7. Pre-Proposal Conference.** There will be an optional Pre-Proposal Conference call for this RFP. Offerors may also ask questions during the session. Any questions asked during the session must also be asked in writing in accordance with Section I-8, Questions and Answers. Any answers furnished during the session will not be official until they have been verified, in writing, by the Issuing Office. All questions and written answers will be posted on the Department of General Services' (DGS) website as an addendum to, and shall become part of, this RFP.

The Pre-Proposal Conference call will be **Tuesday, July 23, 2024 at 2:00 – 3:00 PM EDT**. You may join by:

Microsoft Teams

[Join the meeting now](#)

Meeting ID: 277 283 656 644

Passcode: 92gFEu

Dial in by phone

[+1 267-332-8737,,459851963#](#)

[Find a local number](#)

Phone conference ID: 459 851 963#

If you prefer an email invitation to the session, please request by emailing the Issuing Office at rs-psprocurement@pa.gov.

- I-8. Questions and Answers.** If an Offeror has any questions regarding this RFP, the Offeror must submit the questions by email (**with the subject line "RFP #2024-3 Question"**) to the Issuing Office at the address identified in **PART I, Section I-2** of the RFP. If the Offeror has questions, they may be submitted as they arise via email, but **no later than** the date indicated on the Calendar of Events. The Issuing Office shall post the answers to the questions to eMarketplace at <http://www.emarketplace.state.pa.us/Search.aspx> on an ongoing basis until the deadline stated on the Calendar of Events. When an Offeror submits a question after the deadline date for receipt of questions indicated on the Calendar of Events, the Issuing Office *may* respond to questions of an administrative nature by directing the questioning Offeror to specific provisions in the RFP. To the extent that the Issuing Office decides to respond to a non-administrative question *after* the deadline date, the question and answer will be provided to all Offerors through an addendum.

All questions and responses as posted to eMarketplace are considered as an addendum to, and part of, this RFP in accordance with **PART I, Section I-9**. Each Offeror shall be responsible to monitor eMarketplace for new or revised RFP information. The Issuing Office shall not be bound by any verbal information, nor shall it be bound by any written information that is not either contained within the RFP or formally issued as an addendum by the Issuing Office. The Issuing Office does not consider questions to be a protest of the specifications or of the solicitation. The required protest process for Commonwealth procurements is described in **PART I, Section I-26**.

- I-9. Addenda to the RFP.** If the Issuing Office deems it necessary to revise any part of this RFP before the proposal response date, the Issuing Office will post an addendum to eMarketplace at <http://www.emarketplace.state.pa.us/Search.aspx>. It is the Offeror's responsibility to periodically check eMarketplace for any new information or addenda to the RFP. Answers to the questions asked during the Questions & Answers period also will be posted to eMarketplace as addenda to the RFP.
- I-10. Response Date.** To be considered for selection, electronic proposal submissions as described in **PART I, Section I-11** must arrive at the Issuing Office on or before the time and date specified in the RFP Calendar of Events. The Issuing Office will **not** accept proposals via email or facsimile transmission. Offerors who send proposals by mail or other delivery service should allow sufficient delivery time to ensure timely receipt of their proposals. If, due to inclement weather, natural disaster, or any other cause, the Commonwealth office location to which proposals are to be returned is closed on the proposal response date, the deadline for submission will be automatically extended until the next Commonwealth business day on which the office is open, unless the Issuing Office otherwise notifies Offerors. The hour for submission of proposals shall remain the same. The Issuing Office will reject (unopened) any late proposals.
- I-11. Proposal Requirements.**
- A. Proposal Submission:** To be considered, Offerors should submit a complete response to this RFP to the Issuing Office, using the format provided in **Section I-11B**, providing **three (3)** paper copies [one marked "ORIGINAL"] of the Technical Submittal and **one (1)** separately sealed (envelope preferred) paper copy of the Cost Submittal.

In addition to the paper copies of the proposal, Offerors shall submit a single electronic complete and exact copy of the entire proposal with named separate files **for the Technical Submittal and the Cost Submittal**. The electronic submission must be on USB/Flash drive in Microsoft Office or Microsoft Office compatible format and any spreadsheets must be in Microsoft Excel. The Offerors may not lock or protect any cells or tabs. Offerors should ensure that there is no costing information in the technical submittal. Offerors should not reiterate technical information in the cost submittal. The USB/Flash drive should clearly identify the Offeror and include the name and version number of the virus scanning software that was used to scan the USB/Flash drive before it was submitted. The Offeror shall make no other distribution of its proposal to any other Offeror or Commonwealth official or Commonwealth consultant. Each proposal page should be numbered for ease of reference. An official authorized to bind the Offeror to its provisions must sign the proposal. If the official signs the **APPENDIX A Proposal Cover Sheet** and the Proposal Cover Sheet is scanned and provided in a PDF version in the Offeror's electronically submitted proposal, the requirement will be met. For this RFP, the proposal must remain valid for 120 days or until a contract is fully executed. If the Issuing Office selects the Offeror's proposal for award, the contents of

the selected Offeror's proposal will become, except to the extent the contents are changed through Best and Final Offers or negotiations, contractual obligations.

Each Offeror submitting a proposal specifically waives any right to withdraw or modify it, except that the Offeror may withdraw its proposal by written notice received at the Issuing Office's address for proposal delivery prior to the exact hour and date specified for proposal receipt. An Offeror or its authorized representative may withdraw its proposal in person prior to the exact hour and date set for proposal receipt, provided the withdrawing person provides appropriate identification. An Offeror may modify its submitted proposal prior to the exact hour and date set for proposal receipt only by submitting a clearly identified revised electronic submission on USB/Flash drive marked as "Revised Proposal" which complies with the RFP requirements.

B. Proposal Format. Offerors must submit their proposals in the format, including heading descriptions, outlined below. To be considered, the proposal must respond to all proposal requirements. Offerors should provide any other information thought to be relevant, but not applicable to the enumerated categories, as an appendix to the Proposal. All cost data relating to this proposal should be kept separate from and not included in the Technical Submittal. Offerors should not reiterate technical information in the Cost Submittal. Each proposal shall consist of the following **two (2) separate** submittals:

1. Technical Submittal, in response to **PART III**; and

- a. Complete, sign and include **APPENDIX A – Proposal Cover Sheet**
- b. Complete, sign and include **APPENDIX B – Domestic Workforce Utilization Certification**; and
- c. Complete, sign and include **APPENDIX C – Iran Free Procurement Certification Form**; and
- d. Complete, sign and include **APPENDIX D – Trade Secret/ Confidential Proprietary Information Notice**; and
- e. Complete, sign and include **APPENDIX E – Worker Protection and Investment Certification Form**.

2. Cost Submittal, in response to RFP **PART IV** and as found at **Appendix F, Cost Proposal**.

The Issuing Office reserves the right to request additional information which, in the Issuing Office's opinion, is necessary to assure that the Offeror's competence, number

of qualified employees, business organization, and financial resources are adequate to perform according to the RFP.

The Issuing Office may make investigations as deemed necessary to determine the ability of the Offeror to perform the Project, and the Offeror shall furnish to the Issuing Office all requested information and data. The Issuing Office reserves the right to reject any proposal if the evidence submitted by, or investigation of, such Offeror fails to satisfy the Issuing Office that such Offeror is properly qualified to carry out the obligations of the RFP and to complete the Project as specified.

- I-12. Economy of Preparation.** Offerors should prepare proposals simply and economically, providing a straightforward, concise description of the Offeror's ability to meet the requirements of the RFP. **Please note additional information on this requirement in PART III.**
- I-13. Alternate Proposals.** The Issuing Office has identified the basic approach to meeting its requirements, allowing Offerors to be creative and propose their best solution to meeting these requirements. The Issuing Office will not accept alternate proposals.
- I-14. Discussions for Clarification.** Offerors may be required to make an oral or written clarification of their proposals to the Issuing Office to ensure thorough, mutual understanding and responsiveness to the solicitation requirements. The Issuing Office will initiate requests for clarification. Clarifications may occur at any stage of the evaluation and selection process prior to contract execution.
- I-15. Prime Contractor Responsibilities.** The selected Offeror must perform at minimum, 51% of the work under this contract. Nevertheless, the contract will require the selected Offeror to assume responsibility for all services offered in its proposal whether it produces them itself or by subcontract. Further, the Issuing Office will consider the selected Offeror to be the sole point of contact with regard to all contractual matters.
- I-16. Oral Presentations.** Proposers achieving the 75% Technical assessment threshold may be required to provide an oral presentation of the services proposed. This presentation will serve as a proof of the conceptual requirements described in **PART III** of the Technical proposal and will be evaluated to confirm Proposer's narrative explanations of the services proposed.
- I-17. Proposal Contents.**
 - A. Confidential Information.** The Commonwealth is not requesting, and does not require, confidential proprietary information or trade secrets to be included as part of Offerors' submissions in order to evaluate proposals submitted in response to this RFP. Accordingly, except as provided herein, Offerors should not label proposal submissions as confidential or proprietary or trade secret protected. Any Offeror who

determines that it must divulge such information as part of its proposal must submit the signed written statement described in subsection C. below and must additionally provide a redacted version of its proposal on USB/Flash drive, which removes only the confidential proprietary information and trade secrets, for required public disclosure purposes. The USB/Flash drive, should clearly identify the Offeror, note that it is a redacted copy and include the name and version number of the virus scanning software that was used to scan the USB/Flash drive, before it was submitted. **If a written statement and redacted version of the proposal is not submitted at the time of the proposal submission, the proposal will be subject to release as submitted with only the financial capability redacted.**

- B. Commonwealth Use.** All material submitted with the proposal shall be considered the property of the Commonwealth of Pennsylvania. The Commonwealth has the right to use any or all ideas not protected by intellectual property rights that are presented in any proposal regardless of whether the proposal becomes part of a contract. Notwithstanding any Offeror copyright designations contained in proposals, the Commonwealth shall have the right to make copies and distribute proposals internally and to comply with public record or other disclosure requirements under the provisions of any Commonwealth or United States statute or regulation, or rule or order of any court of competent jurisdiction.
- C. Public Disclosure.** After the award of a contract pursuant to this RFP, all proposal submissions are subject to disclosure in response to a request for public records made under the Pennsylvania Right-to-Know-Law, 65 P.S. § 67.101, et seq. If a proposal submission contains confidential proprietary information or trade secrets, a signed written statement to this effect must be provided with the submission in accordance with 65 P.S. § 67.707(b) for the information to be considered exempt under 65 P.S. § 67.708(b)(11) from public records requests. Refer to **APPENDIX D** of the RFP for a **Trade Secret/ Confidential Proprietary Information Notice Form** that may be utilized as the signed written statement, if applicable. If financial capability information is submitted in response to **PART III** of this RFP, such financial capability information is exempt from public records disclosure under 65 P.S. § 67.708(b)(26).

I-18. Best and Final Offers (BAFO).

- A.** While not required, the Issuing Office reserves the right to conduct discussions with Offerors for the purpose of obtaining “best and final offers.” To obtain best and final offers from Offerors, the Issuing Office may do one or more of the following, in any combination and order:
- 1.** Schedule oral presentations;
 - 2.** Request revised proposals; and

3. Enter into pre-selection negotiations.
- B.** The following Offerors will **not** be invited by the Issuing Office to submit a Best and Final Offer:
1. Those Offerors which the Issuing Office has determined to be not responsible or whose proposals the Issuing Office has determined to be not responsive.
 2. Those Offerors which the Issuing Office has determined in accordance with **PART II, Section II-5** from the submitted and gathered financial and other information, do not possess the financial capability, experience or qualifications to assure good faith performance of the contract.
 3. Those Offerors whose score for their technical submittal of the proposal is less than 75% of the total amount of technical points allotted to the technical criterion.

The Issuing Office may further limit participation in the best and final offers process to those remaining responsible offerors which the Issuing Office has, within its discretion, determined to be within the top competitive range of responsive proposals.

- C.** The Evaluation Criteria found in **PART II, Section II-4**, shall also be used to evaluate the Best and Final offers.
- D.** Price reductions offered through any Best and Final Offer shall have no effect upon the Offeror's Technical Submittal.
- I-19. News Releases.** Offerors shall not issue news releases, Internet postings, advertisements or any other public communications pertaining to this Project without prior written approval of the Issuing Office, and then only in coordination with the Issuing Office.
- I-20. Restriction of Contact.** From the issue date of this RFP until the Issuing Office selects a proposal for award, the Issuing Officer is the sole point of contact concerning this RFP. Any violation of this condition may be cause for the Issuing Office to reject the offending Offeror's proposal. If the Issuing Office later discovers that the Offeror has engaged in any violations of this condition, the Issuing Office may reject the offending Offeror's proposal or rescind its contract award. Offerors must agree not to distribute any part of their proposals beyond the Issuing Office. An Offeror who shares information contained in its proposal with other Commonwealth personnel and/or competing Offeror personnel may be disqualified.
- I-21. [Intentionally Omitted.]**

- I-22. Term of Contract.** The term of the contract will commence on the Effective Date and will end **five (5) years from the Effective Date** subject to other terms as set forth in the contract. The Issuing Office will fix the Effective Date after the contract has been fully executed by the selected Offeror and by the Commonwealth and all approvals required by Commonwealth contracting procedures have been obtained. The selected Offeror shall not start the performance of any work prior to the Effective Date of the contract and the Commonwealth shall not be liable to pay the selected Offeror for any service or work performed or expenses incurred before the Effective Date of the contract.
- I-23. Offeror's Representations and Authorizations.** By submitting its proposal, each Offeror understands, represents, and acknowledges that:
- A.** All of the Offeror's information and representations in the proposal are material and important, and the Issuing Office may rely upon the contents of the proposal in awarding the contract(s). The Commonwealth shall treat any misstatement, omission or misrepresentation as fraudulent concealment of the true facts relating to the Proposal submission, punishable pursuant to 18 Pa. C.S. § 4904.
 - B.** The Offeror has arrived at the price(s) and amounts in its proposal independently and without consultation, communication, or agreement with any other Offeror or potential offeror.
 - C.** The Offeror has not disclosed the price(s), the amount of the proposal, nor the approximate price(s) or amount(s) of its proposal to any other firm or person who is an Offeror or potential offeror for this RFP, and the Offeror shall not disclose any of these items on or before the proposal submission deadline specified in the Calendar of Events of this RFP.
 - D.** The Offeror has not attempted, nor will it attempt, to induce any firm or person to refrain from submitting a proposal on this contract, or to submit a proposal higher than this proposal, or to submit any intentionally high or noncompetitive proposal or other form of complementary proposal.
 - E.** The Offeror makes its proposal in good faith and not pursuant to any agreement or discussion with, or inducement from, any firm or person to submit a complementary or other noncompetitive proposal.
 - F.** To the best knowledge of the person signing the proposal for the Offeror, the Offeror, its affiliates, subsidiaries, officers, directors, and employees are not currently under investigation by any governmental agency and have not in the last **four** years been convicted or found liable for any act prohibited by State or Federal law in any jurisdiction, involving conspiracy or collusion with respect to bidding or proposing on any public contract, except as the Offeror has disclosed in its proposal.

- G. To the best of the knowledge of the person signing the proposal for the Offeror and except as the Offeror has otherwise disclosed in its proposal, the Offeror has no outstanding, delinquent obligations to the Commonwealth including, but not limited to, any state tax liability not being contested on appeal or other obligation of the Offeror that is owed to the Commonwealth.
- H. The Offeror is not currently under suspension or debarment by the Commonwealth, any other state or the federal government, and if the Offeror cannot so certify, then it shall submit along with its proposal a written explanation of why it cannot make such certification.
- I. The Offeror has not made, under separate contract with the Issuing Office, any recommendations to the Issuing Office concerning the need for the services described in its proposal or the specifications for the services described in the proposal.
- J. Each Offeror, by submitting its proposal, authorizes Commonwealth agencies to release to the Commonwealth information concerning the Offeror's Pennsylvania taxes, unemployment compensation and workers' compensation liabilities.
- K. Until the selected Offeror receives a fully executed and approved written contract from the Issuing Office, there is no legal and valid contract, in law or in equity, and the Offeror shall not begin to perform.
- L. The Offeror is not currently engaged, and will not during the duration of the contract engage, in a boycott of a person or an entity based in or doing business with a jurisdiction which the Commonwealth is not prohibited by Congressional statute from engaging in trade or commerce.

I-24. Notification of Selection.

- A. Contract Negotiations.** The Issuing Office will notify all Offerors in writing of the Offeror selected for contract negotiations after the Issuing Office has determined, taking into consideration all of the evaluation factors, the proposal that is the most advantageous to the Issuing Office.
- B. Award.** Offerors whose proposals are not selected will be notified when contract negotiations have been successfully completed and the Issuing Office has received the final negotiated contract signed by the selected Offeror.

I-25. Debriefing Conferences. Upon notification of award, Offerors whose proposals were not selected will be given the opportunity to be debriefed. The Issuing Office will schedule the debriefing at a mutually agreeable time. The debriefing will not compare the Offeror with other Offerors, other than the position of the Offeror's proposal in relation to all

other Offeror proposals. An Offeror's exercise of the opportunity to be debriefed does not constitute nor toll the time for filing a protest (See **PART I, Section I-26** of this RFP).

- I-26. RFP Protest Procedure.** The RFP Protest Procedure is on the DGS website at <http://www.dgs.pa.gov/Documents/Procurement%20Forms/Handbook/Pt1/Pt%20I%20C%20h%2058%20Bid%20Protests.pdf>. A protest by a party that has not or has not yet submitted a proposal must be filed no later than the proposal submission deadline specified in the Calendar of Events of the RFP. Offerors may file a protest within **seven (7)** days after the protesting Offeror knew or should have known of the facts giving rise to the protest, but in no event may an Offeror file a protest later than **seven (7)** days after the date the notice of award of the contract is posted on the DGS website. The date of filing is the date of receipt of the protest. A protest must be filed in writing with the Issuing Office. To be timely, the protest must be received by **4:00 PM** on the seventh day.
- I-27. Use of Electronic Versions of this RFP.** This RFP is being made available by electronic means. If an Offeror electronically accepts the RFP, the Offeror acknowledges and accepts full responsibility to ensure that no changes are made to the RFP. In the event of a conflict between a version of the RFP in the Offeror's possession and the Issuing Office's version of the RFP, the Issuing Office's version shall govern.
- I-28. [Intentionally Omitted.]**

PART II

CRITERIA FOR SELECTION

- II-1. Mandatory Responsiveness Requirements.** To be eligible for selection, a proposal must:
- A.** Be timely received from an Offeror (see **PART I, Section I-10**); and
 - B.** Be properly signed by the Offeror (see **PART I, Section I-11A**); and
 - C.** Be properly licensed as an insurance broker in the Commonwealth of Pennsylvania (see **PART III, Section III-5A**).
- II-2. Technical Nonconforming Proposals.** The **three (3)** Mandatory Responsiveness Requirements set forth in **Section II-1** above are the only RFP requirements that the Commonwealth will consider to be *non-waivable*. The Issuing Office reserves the right, in its sole discretion, to (1) waive any other technical or immaterial nonconformities in an Offeror's proposal, (2) allow the Offeror to cure the nonconformity, or (3) consider the nonconformity in the scoring of the Offeror's proposal.
- II-3. Evaluation.** The Issuing Office has selected a committee of qualified personnel to review and evaluate timely submitted proposals. The Issuing Office will notify in writing of its selection for negotiation the responsible Offeror whose proposal is determined to be the most advantageous to the Commonwealth as determined by the Issuing Office after taking into consideration all of the evaluation factors.
- II-4. Evaluation Criteria.** The following criteria will be used in evaluating each proposal:
- A. Technical:** The Issuing Office has established the weight for the Technical criterion for this RFP as 75% of the total points. Evaluation will be based upon the following:
- 1.** Understanding the Problem
 - 2.** Qualifications
 - 3.** Training
 - 4.** Financial Capability
 - 5.** Requirements
 - 6.** Tasks
 - 7.** Value Added Services

8. Project Control

The final Technical scores are determined by giving the maximum number of technical points available to the proposal(s) with the highest raw technical score. The remaining proposals are rated by applying the Technical Scoring Formula set forth at the following webpage:

https://www.dgs.pa.gov/Materials-Services-Procurement/Procurement-Resources/Pages/RFP_SCORING_FORMULA.aspx

- B. Cost:** The Issuing Office has established the weight for the Cost criterion for this RFP as 25% of the total points. The cost criterion is rated by giving the proposal with the lowest total cost the maximum number of Cost points available. The remaining proposals are rated by applying the Cost Formula set forth at the following webpage:

https://www.dgs.pa.gov/Materials-Services-Procurement/Procurement-Resources/Pages/RFP_SCORING_FORMULA.aspx

- C. Domestic Workforce Utilization:** Any points received for the Domestic Workforce Utilization criterion are bonus points in addition to the total points for this RFP. The maximum amount of bonus points available for this criterion is 3% of the total points for this RFP.

To the extent permitted by the laws and treaties of the United States, each proposal will be scored for its commitment to use domestic workforce in the fulfillment of the contract. Maximum consideration will be given to those Offerors who will perform the contracted direct labor exclusively within the geographical boundaries of the United States or within the geographical boundaries of a country that is a party to the World Trade Organization Government Procurement Agreement. Those who propose to perform a portion of the direct labor outside of the United States and not within the geographical boundaries of a party to the World Trade Organization Government Procurement Agreement will receive a correspondingly smaller score for this criterion. See the following webpage for the Domestic Workforce Utilization Formula:

<https://collab.pa.gov/dgs/home/BOP/Documents/InvitationForBid/Evaluation/InstructionsForCalculatingDomesticWorkforceUtilizationScores.doc?web=1>

- D. Iran Free Procurement Certification and Disclosure.** Prior to entering a contract worth at least \$1,000,000 or more with a Commonwealth entity, an offeror must: a) certify it is not on the current list of persons engaged in investment activities in Iran created by the Pennsylvania Department of General Services ("DGS") pursuant to Section 3503 of the Procurement Code and is eligible to contract with the Commonwealth under Sections 3501-3506 of the Procurement Code; or b)

demonstrate it has received an exception from the certification requirement for that solicitation or contract pursuant to Section 3503(e). All offerors must complete and return the Iran Free Procurement Certification form, (**Appendix C, Iran Free Procurement Certification Form**), which is attached hereto and made part of this RFP. The completed and signed Iran Free Procurement Certification form must be submitted as part of the Technical Submittal.

See the following web page for current Iran Free Procurement list:

<https://www.dgs.pa.gov/Documents/Procurement%20Forms/ProposedIranFreeProcurementList.pdf>

- II-5. Offeror Responsibility.** To be responsible, an Offeror must submit a responsive proposal and possess the capability to fully perform the contract requirements in all respects and the integrity and reliability to assure good faith performance of the contract.

In order for an Offeror to be considered responsible for this RFP and therefore eligible for selection for best and final offers or selection for contract negotiations:

- A. The total score for the technical submittal of the Offeror's proposal must be greater than or equal to 75% of the **available technical points**; and
- B. The Offeror's financial information must demonstrate that the Offeror possesses the financial capability to assure good faith performance of the contract. The Issuing Office will review the Offeror's previous three financial statements, any additional information received from the Offeror, and any other publicly available financial information concerning the Offeror, and assess each Offeror's financial capacity based on calculating and analyzing various financial ratios, and comparison with industry standards and trends.

An Offeror who fails to demonstrate sufficient financial capability to assure good faith performance of the contract as specified herein may be considered by the Issuing Office, in its sole discretion, for Best and Final Offers or contract negotiation contingent upon such Offeror providing contract performance security for the first contract year cost proposed by the Offeror in a form acceptable to the Issuing Office. Based on the financial condition of the Offeror, the Issuing Office may require a certified or bank (cashier's) check, letter of credit, or a performance bond conditioned upon the faithful performance of the contract by the Offeror. The required performance security must be issued or executed by a bank or surety company authorized to do business in the Commonwealth. The cost of the required performance security will be the sole responsibility of the Offeror and cannot increase the Offeror's cost proposal or the contract cost to the Commonwealth.

Further, the Issuing Office will award a contract only to an Offeror determined to be responsible in accordance with the most current version of Commonwealth Management Directive 215.9, Contractor Responsibility Program.

II-6. Final Ranking and Award.

- A.** After any best and final offer process conducted, the Issuing Office will combine the evaluation committee's final technical scores, the final cost scores, and (when applicable) the domestic workforce utilization scores, in accordance with the relative weights assigned to these areas as set forth in this Part.
- B.** The Issuing Office will rank responsible offerors according to the total overall score assigned to each, in descending order.
- C.** The Issuing Office must select for contract negotiations the offeror with the highest overall score.
- D.** The Issuing Office has the discretion to reject all proposals or cancel the request for proposals at any time prior to the time a contract is fully executed when it is in the best interests of the Commonwealth. The reasons for the rejection or cancellation shall be made part of the contract file.

PART III

TECHNICAL SUBMITTAL

*Please ensure compliance with **PART I, Section I-12. Economy of Preparation.** Provide succinct, narrative responses that reflect your approach to service delivery.*

- III-1. Statement of the Project.** State in succinct terms your understanding of the project presented in delivery of the services required by this RFP and as outlined in **PART I, Section I-3.**

Offeror Response

- III-2. Qualifications.**

- A. Company Overview.** Provide a company overview to include information demonstrating capacity and expertise in the services requested. Information provided in this section should relate directly to the services requested as part of this RFP and not represent information accessible through sales prospectus or public websites.

Offeror Response

- B. Prior Experience.** Describe in narrative form experience relevant to this project. Experience should demonstrate work completed by individuals who will be assigned to this project as well as that of your company. Topics may include but are not limited to:

1. Knowledge and experience necessary to identify appropriate policy coverage, including policy exclusion and gaps.
2. Knowledge and experience necessary to identify and assess cyber security risks.
3. Knowledge and experience in providing advice regarding policy types, policy coverage, retention levels, reinsurance, or self-insurance options.
4. Access to a broad range of potential underwriters with the experience and expertise to deliver cybersecurity policy proposals to meet PSERS defined needs.
5. Knowledge and experience in placing cost-effective, adequate, and appropriate cyber liability insurance coverage on behalf of a public sector entity or large pool consisting of governmental/quasi-governmental entities, or other large, commercially related business organizations.

Offeror Response

- C. References.** Provide a minimum of **three (3)** references for projects for similarly situated clients. References must be identified with the name of the customer shown, and include the mailing and email addresses of the responsible official of the customer, company or agency who may be contacted. Relevant related experience should also include public sector clients with similar data cybersecurity risk profiles.

Offeror Response

- D. Personnel.** Describe in narrative form the number of executive and professional personnel who will be directly engaged in the work and indicate where these personnel will be physically located during the time they are engaged in the Project. For key personnel, such as account lead, include the employee's name, title, and through a resume or similar document, the Project personnel's education and experience in serving similarly situated clients or customers. Indicate the responsibilities each individual will have in this Project (percent of total staff time by resource is recommended) and how long each has been with your company.

Offeror Response

- E. Subcontractors.** To the extent any work enumerated in this Proposal will be subcontracted, this response should document the intended subcontractors and services each will provide. The selected Offeror is prohibited from subcontracting or outsourcing any part of this Project without the express written approval from the Commonwealth. Upon award of the contract resulting from this RFP, subcontractors included in the proposal submission are deemed approved. For each position included in your subcontracting plan provide:

1. Name of subcontractor;
2. Primary contact name and email;
3. Address of subcontractor;
4. Description of services to be performed;
5. Number of employees by job category assigned to this project; and
6. Resumes (if appropriate and available).

Offeror Response

- III-3. Research and Information Sharing and Training.** Provide information on potential training or informational resources you may offer in support of services provided. For example: customer portals; case study or other reference email materials; market condition information; etc. If applicable, include recommendations for agency personnel to be trained (Board, executives, IT staff, etc.), methods and materials to be used, and number and/or frequency.

Offeror Response

- III-4. Financial Capability.** Describe your company's financial stability and economic capability to perform the contract requirements. The Commonwealth reserves the right to request additional information to evaluate an Offeror's financial capability.

Offeror Response

- III-5. Requirements.**

- A. Appropriately licensed as an insurance broker in the Commonwealth of Pennsylvania.** Provide attestation that your Company is properly licensed as a broker in the Commonwealth of Pennsylvania.

Offeror Response

- B. Emergency Preparedness.** To support continuity of operations during an emergency, including a pandemic, the Commonwealth requires assurance that essential contracts that provide critical business services to the Commonwealth have planned for such an emergency and put contingencies in place to provide needed services. Describe your company's emergency preparedness strategy or attach relevant documentation supporting same.

Offeror Response

- C. Disaster Recovery.** To support continuity of operations during a potential outage of computing services, the Commonwealth requires assurance that essential contracts that provide critical business services to the Commonwealth have planned for such an emergency and put contingencies in place to provide needed services. Describe your company's disaster recovery protocols or attach relevant documentation supporting same.

Offeror Response

- D. Data and Information Security.** PSERS takes the protection of data that may be transmitted as part of this contract very seriously. Proposers are asked to carefully review **PART VI, Data and Information Security Addendum ("DISA")** which will form

a part of the Insurance Brokerage and Consulting Services Agreement. Beyond exceptions you may identify under **PART III, Section III-9** to the DISA, please provide a narrative summary of your internal and technical controls with regard to the handling of PSERS sensitive information technology control infrastructure through the insurance application data, meetings with underwriters, etc.

Offeror Response

III-6. Tasks. Describe in narrative form your technical plan for accomplishing the work using the task descriptions set forth below as your reference point. Modifications of the task descriptions are permitted; however, the reasons for the changes should be fully explained. Indicate the number of person hours allocated to each task and include a project plan, including projected milestones, that indicates alignment with the current policy period (March – February, annually).

- A. Onboarding with Broker
- B. Policy Research and Selection
- C. Application Preparation
- D. Solicitation to Underwriting Market
- E. Policy Negotiation/Execution
- F. Onboarding with Insurer
- G. Filing a Claim
- H. Policy Renewal/Re-solicitation to Market
- I. Other Engagement Tasks (as applicable)

Offeror Response

III-7. Value-Added Services. Describe in narrative form any value-added services that may be provided in the form of insurance products or professional services that are in addition to the cybersecurity insurance product requested under this RFP. Any additional insurance products and/or professional services described under **Section III-7** will be consumed at the discretion of PSERS. If there are any additional commissions/fees associated with these products or services, these commissions/fees must be included in the Value-Added Services Tab of **Appendix F – Cost Submittal**. The commissions/fees presented in the Value-Added Services tab in this workbook are for informational purposes and will NOT be scored as part of the cost evaluation for this RFP. The costs, however, will serve as a

basis for negotiations during contract negotiations with the Selected Offeror, should PSERS desire any of these insurance products.

Offeror Response

- III-8. Reports, Status Updates and Project Control.** Describe how your firm will track progress against **Section III-6. Tasks** and provide regular, meaningful updates appropriate for engagement level client staff and Board/executive management.

Offeror Response

- III-9. Objections and Additions to Terms and Conditions.** The Offeror will identify which, if any, of the terms and conditions contained in **PART V, PART VI** and **PART VII** it would like to negotiate and what additional terms and conditions the Offeror would like to add. The Offeror's failure to make a submission under this paragraph will result in its waiving its right to do so later, but the Issuing Office may consider late objections and requests for additions if to do so, in the Issuing Office's sole discretion, would be in the best interest of the Commonwealth. The Issuing Office may, in its sole discretion, accept or reject any requested changes to the standard contract terms and conditions. The Offeror shall not request changes to the other provisions of the RFP, nor shall the Offeror request to completely substitute its own terms and conditions for **PART V, PART VI** or **PART VII**. All terms and conditions must appear in one integrated contract. The Issuing Office will not accept references to the Offeror's, or any other, online guides or online terms and conditions contained in any proposal.

Regardless of any objections set out in its proposal, the Offeror must submit its proposal, including the Cost Submittal, on the basis of the terms and conditions set out in **PART V, PART VI** and **PART VII**. The Issuing Office will reject any proposal that is conditioned on the negotiation of the terms and conditions set out in **PART V, PART VI** and **PART VII** or to other provisions of the RFP.

Offeror Response

PART IV

COST SUBMITTAL

- IV-1. Cost Submittal.** The information requested in this **PART IV** shall constitute the Cost Submittal. The Cost Submittal shall be submitted in accordance with **PART I, Section I-11** using **APPENDIX F Cost Submittal Worksheet**. The total proposed cost should be broken down into the components set forth in **APPENDIX F Cost Submittal Worksheet**.

PART V

COMMONWEALTH CONTRACT TERMS AND CONDITIONS

(Attached electronically as a separate file.)

PART VI

DATA AND INFORMATION SECURITY ADDENDUM (DISA)

(Attached electronically as a separate file.)

PART VII

INSURANCE BROKERAGE AND CONSULTING SERVICES AGREEMENT

(Attached electronically as a separate file.)