



6201 Florida Boulevard  
 Baton Rouge, LA 70806  
 225-272-9200 (phone)

October 19, 2016

**RE: ADDENDUM NO. 1-  
 RFP #164 IT AUDIT SERVICES**

The responses to all questions submitted for RFP #164 IT Audit Services, during the injury period ending October 11, 2016 are listed below. **No changes resulted as of these inquires and the RFP opening date of October 25, 2016 @ 10:00 am remains.**

1. Question: Does BREC (the “Agency”) engage in any software application development or source coding?

**Answer: No**

2. Question: Are there any third party vendors the Agency relies on to perform their IT functions (i.e. data centers, IT technical support, external programmer, etc.)

**Answer: No**

3. Question: What systems/applications does the Agency utilize for operations and accounting?

**Answer: New World ERP**

<b>Financial or Operating Function</b>	<b>Application Name</b>	<b>Vendor / Version</b>	<b>Operating System Application is running on</b>
GL			
AP			
AR			
Fixed Assets			
Creation of Financial Statements			
Payroll			
POS			
Operation cycle 1			
Operation cycle 2			
Operation cycle 3			

4. What network operating systems are running on the Agency's server(s)?

<b>O/S</b>	<b>Number of Servers</b>	<b>Location of Server</b>	<b>Service Pack, Release, Version</b>
Windows 2012 R2	47	Primary Data Center	
Windows 2008 R2	13	Primary Data Center	
Windows 2003 R2	1	Primary Data Center	
Linux/Unix	3	Primary Data Center	
iSeries			
ZOS			
Other:			

5. What database systems are used for the accounting and operational applications listed in item 3?

<b>Database</b>	<b>Application</b>	<b>Service Pack, Release, Version</b>
SQL	New World ERP	
Oracle		
DB2		
Other:		

6. What operating systems are running on the Agency's workstation(s)?

<b>O/S</b>	<b>Number of Workstations</b>	<b>Service Pack, Release, Version</b>
Windows 8	322	
Windows 7	53	
XP	19	
Linux		
OSX	20	
Other		

7. Question: Does the Agency utilize virtualization? If yes, what virtualization platform is used?

**Answer: Yes. Hyper-V**

8. Question: Does the Agency currently have any external penetration tests performed by a third party?

**Answer: No**

9. Question: Section 2.1 – Have initial controls been identified for testing or will there be an initial scoping phase as part of the audit program assessment?

**Answer: There will need to be an initial scoping phase. A comprehensive list of controls has not been identified to this point.**

10. Question: Section 2.1 – Has the system scope been determined? If yes, please provide the number of applications and tools considered in-scope.

**Answer: Outlook 365 Hosted exchange for email; Two major applications, New World Logos on a .net platform for FM & HR; Several different customized versions of Vermont systems' RecTrac for sales & maintenance; Other systems include a legacy system which is no longer supported and web-based tools; Application controls are not within the scope of this RFP**

11. Question: If yes, please describe whether applications are customized or purchased.

**Answer: Applications are purchased and configurations are customized. However, application controls are not within the scope of this RFP.**

12. Question: If yes, please describe the infrastructure supporting the in-scope applications (i.e. Operating System type, Database type, and whether the systems are hosted or cloud based).

**Answer: Our current ERP platform is built on Windows 2008 R2 and SQL Server 2008 R2. All of our systems are virtualized (Microsoft Hyper-V) and hosted on-premises. In upgrading to version 9.5 of our ERP platform we will be rebuilding the virtual servers on Windows Server 2012 R2 and SQL Server 2012 R2.**

13. Question: If yes, please describe any technical experience preferred for applications or infrastructure (e.g. Oracle, SQL, SAP, PeopleSoft).

**Answer: Familiar with a Microsoft environment, but more importantly, experience with SonicWall**

14. Question: Section 2.1 – Will remediation of gaps or deficiencies identified be considered or required as part of the project scope or any additional project?

**Answer: This RFP is for an audit engagement to identify control weaknesses in the IT infrastructure environment. The deliverables should include an audit program for future engagements as well as identified control weaknesses and recommendations. Remediation will be conducted in-house unless otherwise deemed necessary by IT management.**

15. Question: Section 2.1 – Has BREC conducted any previous IT audits?

**Answer: This will be BREC's first IT audit**

16. Question: Section 2.1 – Will BREC assist with controls testing and evaluation or will the outlined scope be executed solely by the contracting party?

**Answer: The selected vendor will be working directly with a BREC Internal Auditor. There will be assistance from the IT department to the extent that objectivity is not compromised.**

17. Question: Please give a breakdown of BREC's network infrastructure

Answer:

- **BREC manages a total of 49 Networked Locations, comprising 64 facilities.**
- **Each Networked Location is connected to the Primary (Admin Building) and Secondary (Baton Rouge Zoo) data centers via IPSec VPN.**
- **Each Networked Location uses a SonicWall Router for IPSec VPN Connectivity, Intrusion Prevention, Gateway Anti-Malware, and Application Control.**
- **6 of the Networked Locations use 2Mbps/2Mbps MetroEthernet for Connectivity to Primary (Admin Building) and Secondary (Baton Rouge Zoo) data centers.**
- **43 of the Networked Locations use Cable Internet (of various speeds) for Connectivity to Primary (Admin Building) and Secondary (Baton Rouge Zoo) data centers and Internet.**
- **Each Networked uses Netgear Business Grade Switches for LAN connectivity.**
- **BREC's Primary Data Center has 300/300Mbps Optical Internet from Cox, 100/100Mbps Optical Internet from ATT, 100/100Mbps MetroEthernet for Connectivity to Secondary Data Center.**
- **BREC's Secondary Data Center has 200/20Mbps Cable Internet from Cox and 100/100Mbps MetroEthernet for Connectivity to Secondary Data Center.**
- **BREC utilizes Microsoft Azure Cloud for hosting of 6 Edge-Facing VM's, Replication of Business Critical VMs (New World ERP, RecTrac, MainTrac), and backup of BREC DFS File Shares.**

18. Question: Would you be so kind as to provide the following additional information?

Management Oversight: Organizational structure for IT organization:

IT organizational structure (i.e., sub-groups/departments)

**Single IT Department**

Number of IT employees

**5 Full-Time – Director, Senior Tech Support Specialist, Tech Support Specialist, IT Hardware Coordinator, Financial Systems Coordinator. 3 Part-Time – Administrative Support Coordinator, Intern, Intern.**

Organizational chart showing line of authority

**Director manages Senior Tech Support Specialist and Financial Systems Coordinator. Senior Tech Support Specialist manages Tech Support Specialist, IT Hardware Coordinator, Administrative Support Coordinator, Intern, Intern.**

Number of facilities utilizing IT assets

**64**

Number of locations where IT personnel are based

**1**

What methods of social media are utilized by BREC?

**Facebook, Twitter, Instagram**

Computer Operations:

Number of locations where IT assets are located

**64**

*Number of IT vendors Dell*

**Microsoft**

*Are back-up records stored at a BREC facility or by a vendor?*

**At Primary Data Center and in a Microsoft Azure Cloud**

*Number and names of applications supported by BREC IT*

**At Primary Data Center and in Microsoft Azure Cloud**

*Are separate development, test, and production environments available for all applications that are developed and/or modified by BREC IT?*

**Yes**

*End-user Computing:*

*How many users utilize applications supported by BREC IT?*

**450**

*How many System Administrators manage BREC's applications?*

**Four**

*Physical Security:*

*How many data centers are used by BREC to house its IT assets?*

**Three (2 in Baton Rouge, 1 Microsoft Azure)**

*Are these data centers operated by BREC IT personnel or a third-party vendor?*

**All operated by BREC IT**

*Network and Data Security:*

*How many networks are maintained by BREC IT?*

**49**

*What types of networks are utilized?*

**LAN, WAN, MetroE, Cable Internet, Optical Internet**

*How many Network and Database Administrators perform network and database administration?*

**4**

19. *Question: What is the total outlay limit of this RFP?*

**Answer: The outlay for this RFP will be based on proposals submitted by interested firms through a competitive process. While no limit has been established, BREC reserves the right to reject all bids if the proposed outlay submitted by firms exceeds BREC's reasonable expectations for such services.**

20. *Question: Please confirm the total work duration of this project?*

**Answer: Work duration of this project will be determined through the competitive RFP process in proposals submitted by interested firms. The duration will largely depend on the number of qualified resources dedicated to the project and BREC and the winning proposer will establish a timeline for the project at the initial meeting between the two parties.**

21. *Question: Is it a single or multiple award?*

**Answer: BREC reserves the right to award multiple bidders but at this time we are projecting a single, end to end review**

22. *Question: Please share the incumbent or vendor currently providing the same services?*

**Answer: This is the first project of its kind for the agency. As such there is no incumbent. This is a completely new endeavor.**

23. *Question: Can you tell us who was involved in putting this together?*

**Answer: BREC's only auditor (CIA)**

24. *Question: Also, can you tell us who will be involved in making the determination for the final award?*

**Answer: The Department will establish the evaluation committee and inform Purchasing of those members. Purchasing (if requested) will meet with them and advise of responsibilities, need for confidentiality, and requirement for adhering to RFP calendar of events. Evaluation committee members individually evaluate proposals and then convene to discuss proposals and to determine a consensus score. The bidder receiving the highest score is recommended for award.**

25. *Question: We see that the work is estimate to begin on or around November 1, 2016. Is there a specific deadline BREC would like to have the work completed?*

**Answer: The end of the year would be ideal, but at least by the end of January.**

26. *Question: Is there a budget range or not to exceed amount to complete the work?*

**Answer: The no to exceed amount is \$100,000**

27. *Question: Proposal is to plan and execute a review of IT controls. The Planning phase includes the development of an audit program that can be used to plan future IT audit engagements, as well as an audit program for this work. The execution phase is risk-based testing of controls. There is no mention of number of controls, so are we to assume that those controls need to be documented as part of planning/execution?*

**Answer: That is correct.**

28. *Question: If the above answer is "yes", we need more information to be able to adequately scope the effort. A suggestion we have is that we provide an estimate to perform an IT Risk Assessment, which would provide an output of where the highest risk areas of focus should be and a plan for how to test those areas. From there we would provide an estimate to perform the development of controls and testing for effectiveness based on that assessment. Would that be an acceptable method for us to estimate and respond?*

**Answer: We wish to have only one proposal. You will be working with an experienced CIA who does not possess the level of technical skills needed to effectively audit this area. However, the auditor will assist with directing your focus.**

*If so, the following questions are helpful for scoping:*

29. *Question: How many employees are in the IT department?*

**Answer: 8**

30. *Question: What are the key applications used?*

***Answer: New World Logos.net for FM & HR and Vermont Systems RecTrac (several differently configured versions of it for different departments). Please note that application controls are not within the scope of this engagement.***

31. *Question: What is the average annual IT spend?*

***Answer: \$450,000 on Computer Equipment and Software***

32. *Question: Are all IT functions performed in-house by BREC personnel or is there any outsourcing of IT? If outsource providers are used, what functions are outsourced?*

***Answer: All functions are in-house. Only premise wiring is outsourced.***

33. *Question: Has a formal Risk Assessment by performed by BREC to identify high risk areas, transactions, systems? If not, does BREC expect a formal risk assessment to be included in the scope of work?*

***Answer: A formal risk assessment for the organization has been performed. There has not been a risk assessment performed for IT infrastructure and network. That should be included in the scope of work.***

34. *Question: Does BREC's IA department utilize electronic workpapers? If so, what application?*

***Answer: Microsoft products are used for workpapers (Word, Excel, and One Note)***

35. *Question: Will the scope include critical business applications? (e.g. financial reporting application, asset management applications)*

***Answer: Application controls are not within the scope***

36. *Question: Will the review incorporate compliance areas for controls tested? (e.g. HIPAA, PCI)*

***Answer: Compliance with any applicable regulations should be considered part of the scope, but again, application controls are not within the scope. So, information within those applications is likewise out of scope.***

37. *Question: Is there a schedule for audit deliverables?*

***Answer: Set timelines have not been established, but deliverables include an audit program for future IT audits, work papers, and a final report with identified issues and recommendations.***

38. *Question: Will resources from BREC's IA team be expected to participate in IT audits performed?*

***Answer: BREC has only one Internal Auditor (CIA) who will be participating.***

*Please acknowledge receipt of this Addendum below, and return with your Proposal. Proposers who fail to acknowledge and return this Addendum #1 will not be considered for this proposal.*

\_\_\_\_\_  
COMPANY OR FIRM NAME

\_\_\_\_\_  
ADDRESS

\_\_\_\_\_  
CITY & STATE ZIP

\_\_\_\_\_  
PHONE FAX EMAIL ADDRESS

\_\_\_\_\_  
**BIDDERS SIGNATURE (BID MUST BE SIGNED)**

\_\_\_\_\_  
**BIDDER'S PRINTED NAME**