



Galvanize Solution for Washington State Auditor's Office

RFI – Audit Documentation and Management Software Solution K645-RFI-2011



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Introduction

To the Office of the Washington State Auditor,

Galvanize is excited for the opportunity to share our governance, risk, and compliance technology with you. We believe the Galvanize HighBond Platform is best positioned to meet the requirements of the Office of the Washington State Auditor teams. Galvanize's HighBond simplicity, ease of use, and conventional approach ensures you can standardize across best practices, enable teams to quickly learn, deploy and enjoy the efficiency and effectiveness that a fully integrated audit management solution provides.

At Galvanize, we are very passionate about innovating and ensuring that we never stagnate. We design our products to create better end-user experiences. Because our technology supports a continuous delivery method in a cloud-based solution, we can implement quickly and bring new functionality to customers—in many cases within months, rather than years—without additional costs of internal hardware, sustainment support and manual upgrade testing and deployment (which traditionally lead to loss of work and connectivity issues).

Our software has been proven to increase efficiency and productivity across the entire governance, risk, and compliance spectrum—including investigations, compliance, enterprise risk management, policy management, analysis, review, report generation, and storage. Based on a recent survey of Galvanize, 80% of users find the product "easy" or "very easy" to learn, 70% of leaders reported 20% more time to spend on value-add projects, 40% found time savings through report generation. These results are in stark contrast to legacy systems that require resource-intensive and expensive IT deployments.

In this RFP, we outlay our overall product functionality and outline how it maps to the Office of the Washington State Auditor's functional requirements. We look forward to collaborating with the Office of the Washington State Auditor's team to bring an exceptional audit management technology to your environment.

Sincerely,

Randy Nelson – Account Executive, Public Sector

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Proposal

Staff Qualifications

Adoption Team

Our HighBond implementation team consists of 25 individuals based out of Vancouver, Canada. The intent is to select one Manager and two consultants from the team listed below. If we need to swap or augment our team, we would provide the resumes of the individuals who would take their place—for your approval. The team we are proposing has significant audit and HighBond implementation experience.

Adoption Leader

Abby Hakim (Director, Consulting & Advisory Services) will be responsible for the oversight and quality of the consulting and implementation services provided by Galvanize. Abby has been with Galvanize for nearly 5 years, overseeing the implementation of some of our largest Audit, Compliance and ERM projects. He has helped customers adopt Galvanize's HighBond and Analytics solutions. Prior to joining Galvanize, Abby worked in the Risk Consulting practice of KPMG in the UK and Canada for over 20 years. Abby is able to leverage his assurance, product and risk domain knowledge to the benefits of Galvanize's clients.

Adoption Manager

Samer Rahim (Manager, Consulting & Advisory Services) will be responsible for the day-to-day delivery of Galvanize's Services. Samer joined Galvanize in 2016 as a manager specializing in GRC implementation. Samer has helped large client bases successfully adopt Galvanize's HighBond solution for Audit and Compliance needs. Prior to joining Galvanize, he worked for Ernst & Young in the Risk Advisory Service Line for over 10 years. Samer has worked with public and private sector companies in the areas of Audit, Internal Controls, Risk Assessment, Enterprise Risk Management and Audit Transformation. Samer's experience spans across North America, Europe, North Africa and the Middle East. He has vast experience leading a variety of high-profile projects with specialization in banking, manufacturing, healthcare, real estate and airlines sectors.

Brian Luong (Manager, Consulting & Advisory Services) will be responsible for overseeing the day-to-day delivery of Galvanize's Services. Brian joined Galvanize in 2018 as a Manager specializing in GRC implementation. Brian has helped clients successfully adopt Galvanize's HighBond solution for Audit and Compliance. Prior to joining Galvanize, he worked in the Risk Advisory Service Line at Deloitte for 5 years, where he executed SOX system and organization controls (SOC1 and SOC2), and managed audit and advisory engagements. Brian is a Chartered Professional Accountant and Certified Information Systems Auditor.

Consultants

Sandy Zhou (Specialist, Consulting & Advisory Services) has experience in Audit, IT Audit, SOX/SOC Audit and Enterprise Risk Management. Sandy has leveraged her experience to help clients in various industries (banking, manufacturing, energy, public sector etc.) transition their audit / ERM / compliance teams and projects into HighBond, effectively. Prior to joining Galvanize in 2016, Sandy was part of KPMG's Audit, Risk and Compliance Services team under KPMG Advisory. She is a Chartered Professional Accountant and Certified Information Systems Auditor.

Muldir Baidol (Specialist, Consulting & Advisory Services) has been successfully enabling Galvanize's HighBond customers for 3+ years. Her project responsibilities have included gathering business requirements, system configuration and enabling/training clients. Muldir has implemented Highbond's Audit, Compliance, and Risk Management solutions to public sector, banking, financial services, healthcare, technology, transportation, and manufacturing companies. In addition, Muldir provides insight and feedback to Galvanize's product development and strategy teams on trends and leading practices she is seeing with her clients. She is a Certified Auditor.

Vincent Tham (Specialist, Consulting & Advisory Services) has been successfully implementing Galvanize's HighBond and Galvanize Analytics solutions for 3 years for large corporations (ie. healthcare, technology, banking, financial services, manufacturing and transportation) and government institutions based in North America, Europe and Asia. Vincent's project

responsibilities include gathering business requirements, process re-engineering, system configuration, and conducting custom enablement/ training workshops. He is in the process of earning the CPA designation.

Capability, Capacity and Qualifications of Offeror

A key advantage of using Galvanize's cloud-based platform, HighBond, is the decreased burden on IT resources. If you're not in a multi-tenant solution, you're going to need to invest significant time and energy into testing upgrades. With on-premise solutions, there are often delays in deploying new features, and ultimately weaker security while you are not running on the latest version of the software.

Project completion times/dates will vary and are often dependent on customer schedules and availability. Our 30 years of experience coupled with our consultative approach, ensures clients experience a fast implementation, and realize concrete business results.

We encourage buyers to evaluate both product functionality and a company's reputation. Our audit management solution is the most reviewed on Gartner's website and owns the most 5-star reviews:

<https://www.gartner.com/reviews/market/audit-management-solutions/vendor/galvanize/product/highbond>

Core Functionality

Please see the below overview of HighBond's core functionality. This is not an exhaustive list but covers most of the typical functionality audit departments require.

| Description | Functionality Currently exists in Galvanize platform? | |
|---|---|----|
| | Yes | No |
| System Configuration | | |
| a) Compatibility with Microsoft Office products: Word, Excel, Visio, and PowerPoint | X | |
| b) Provide multiple security levels in the application that allow for a separation of duties ¹ | X | |
| c) Provide setup for the database including backup/maintenance scripts | X | |
| d) Include recommendations for optimal server configuration | X | |
| e) Offer software as a service/web-based hosting | X | |
| Audit Planning | | |
| a) Ability to create an Audit Universe and develop an annual operational plan based on risk assessments or other criteria | X | |
| b) Provide budgeting support for audit plans that will report on deviations from projected to actual project time | X | |
| c) Create a draft plan of the yearly audit schedule | X | |
| Electronic Workpapers | | |
| a) Ability to record the following information associated with each audit project: | | |
| <i>System/process description</i> | X | |
| <i>Objectives</i> | X | |

| | | |
|--|---|--|
| <i>Risks & mitigating controls</i> | X | |
| <i>Tests to examine effectiveness of controls•</i> | X | |
| <i>Evidence obtained in performing the tests</i> | X | |
| <i>Results from tests (i.e. finding information)</i> | X | |
| <i>Recommendations</i> | X | |
| <i>Management responses and agreed action plans for issues reported</i> | X | |
| <i>Review notes and other correspondence</i> | X | |
| <i>Audit sign-off</i> | X | |
| b) Ability to assign specific audit step to individual auditor ² | X | |
| c) Must provide two-way cross referencing between documents and support point-to-point hyperlinks for Word, Excel, PowerPoint, Visio, and PDF files | X | |
| d) Ability to print completed workpapers, review notes, audit programs, and other electronic documentation created within the system | X | |
| e) Provide flexibility to add/delete/modify audit steps in standard audit programs | X | |
| f) Allow for search capabilities within audit findings, projects, and the document library | X | |
| g) Ability to create severity ratings and assign them to findings | X | |
| h) Ability to write review notes with links to targeted work papers | X | |
| i) Must be able to attach scanned documents and annotate documents (Word, Excel, PowerPoint, and PDF) with standard tick marks/comments from within the application (without additional software license requirements) | X | |
| Audit Reporting | | |
| a) Provide standard reports for common inquiries such as audit planning, audit project report, project tracking, outstanding issues, and timesheet reports | X | |
| b) Ability to easily customize the standard audit report and other ad-hoc reports ³ | X | |
| c) Allow for custom reports to be saved in Word, Excel, or PDF formats | X | |
| d) Allow for distribution of reports via email | X | |
| Audit Response & Tracking | | |
| a) Must provide online portal or reporting option that allows management responses to be automatically populated in the system | X | |
| b) Allow for customer surveys to be generated and feedback recorded | X | |
| c) Ability to track and report on issues in a variety of ways including audit project, audit manager, or departmental area. | X | |
| Time Reporting | | |

| | | |
|---|---|--|
| a) Ability to track time for audit projects, training, other chargeable and non-chargeable activities | X | |
| b) Capture time by project with the ability to report on actual versus budgeted time | X | |
| c) Track planned and unplanned hours for an audit assignment | X | |
| d) Ability to generate administrative reports by auditor, completed projects and projects in-progress | X | |
| Document Library | | |
| a) Must provide indexed and searchable repository for: | | |
| <i>Standard audit programs and notifications</i> | X | |
| <i>Policies and procedures</i> | X | |
| <i>Tests, controls, and associated risks</i> | X | |
| <i>Common findings</i> | X | |
| <i>Workpaper templates</i> | X | |
| b) Include standard audit programs from COSO, IIA, etc. or allow them to be imported. | X | |
| Optional Functionality | | |
| a) Controls Module available for documentation of key controls | X | |

Visual Detail

Perform/document annual and individual audit risk assessments

Both annual and individual risk assessments can be performed in Galvanize. Risk assessments performed for individual audits can be done in a variety of ways. For example, members of the Audit team can reference past audit findings or their own personal knowledge to subjectively assess individual risks according to configurable risk factors (Likelihood, Impact, Velocity, etc.) and scoring scales (1-5).

Term for risk likelihood

Likelihood

Choices for risk likelihood

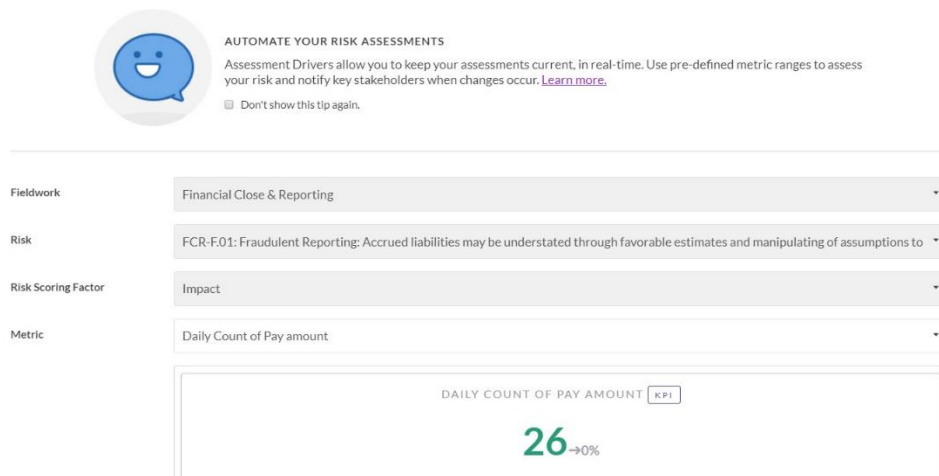
| | | |
|----------|----------------|--|
| 1 Point | Unlikely | |
| 2 Points | Likely | |
| 3 Points | Possible | |
| 4 Points | Almost Certain | |

+ Add

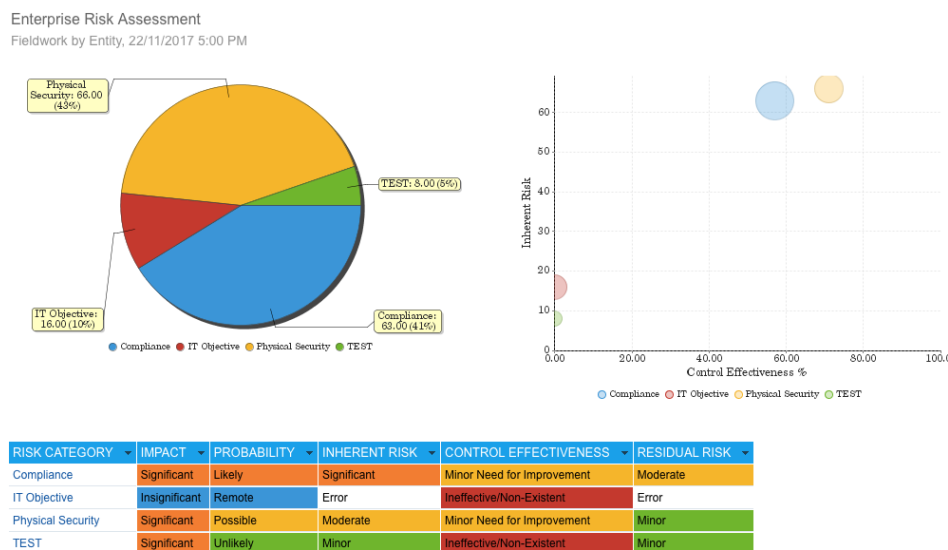
Add Risk Scoring Factor

Risk factors, and scoring attributes can be configured to match your organizations taxonomy and preferences for assessing risk. Organization specific risk factors can also be added without any customization.

Another option may be to have control/risk owners assess their own risks through self-assessment questionnaires. Control/risk owners do not have to be licensed to provide this feedback, and the results can be embedded at the risk level within a project or risk library to objectively perform the risk assessment. Lastly, KRI's (key risk indicators) can be calculated and associate with risks to effectively automate the risk assessment process.



Annual Risk Assessments can also be performed in a variety of ways. Most commonly by reporting on an aggregate of inherent and residual risk scores calculated across the audit universe according to specific operating entities, departments, or business processes. These results can be used to inform the types, frequency, and the order of planned audits for the upcoming year.



Simplify annual audit plan development

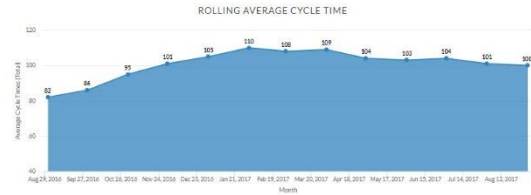
All attributes and data-points within Galvanize are reportable which can be used to simplify the development of an annual audit plan. Moreover, such audit plans are rooted in data helping to better identify audit priorities and emerging risks. Audit Plan dashboards can be configured compiling data based on past audit findings, open issues, number of audits completed in addition to other performance metrics and risk scores for an easy to consume audit plan designed for audit committees and boards.

Program Dashboard

2017 - CURRENT STATUS

| Audit Plan Year | Audit Plan Category | Audit Title | Residual Risk | Last Audit Date |
|-----------------|------------------------|---------------------------------|---------------|-----------------|
| 1 2016 | Carryover/Closure | Model Risk Management | Moderate | Jul 31, 2016 |
| 2 2016 | Carryover/Closure | Vendor Management | Moderate | Sep 30, 2015 |
| 3 2016 | Carryover/Closure | Capital Markets | High | Jun 6, 2015 |
| 4 2016 | Carryover/Closure | Secondary Marketing | Low | Dec 31, 2015 |
| 5 2016 | Carryover/Closure | New York | N/A | Jun 30, 2016 |
| 6 2017 | Information Technology | IT Change Management | Moderate | Apr 30, 2017 |
| 7 2017 | Information Technology | Network Security Administration | Moderate | Mar 31, 2017 |
| 8 2017 | Information Technology | Business Continuity Planning | High | Jun 13, 2017 |
| 9 2017 | Information Technology | Identity and Access Management | Moderate | May 23, 2017 |
| 10 2017 | Financial/Operational | Human Resources and Payroll | Low | Apr 14, 2018 |
| 11 2017 | Financial/Operational | Portfolio Management | Low | Jan 1, 2018 |

CLIENT SATISFACTION (SURVEY AVERAGES) 101



Audit Cycle Time Improvements

Deinde disputat, quod cuiusque generis animantium statum debeat extremum. Quae hic rei publicae vulnera inponerebat, eadem ille sanabat. Hoc non est positum in nostra actione. Longum est enim ad omnia respondere, quae a te dicta sunt. Torquatus, is qui consul cum Cn. Age, inquit, ista parva sunt.

Quid enim de amicitia statueris utilitatis causa expetenda vides. Ut id alii narrare gestiant? Isto modo ne improbus quidem, si essent boni viri. Quid enim possumus hoc agere divinius? Non minor, inquit, voluptas percipitur ex vilissimis rebus quam ex pretiosissimis. Quae hic rei publicae vulnera inponerebat, eadem ille sanabat. Minime vero, inquit ille, consentit. Haec igitur Epicuri non probo, inquam. Quid enim me prohiberet Epicureum esse, si probarem, quae ille diceret? Sed in rebus apertissimis nimium longi sumus.

Provide for automation and standardization of audit practices

Operationalizing audit processes through standardized workflows and automation is central to Galvanize's user experience. Audit Workflows around audit planning processes, fieldwork execution, sign-offs, requests, to-do's (Coaching notes), issues, remediation efforts and reporting are all standardized and can be supported with varying degrees of automation dependent on client maturity. Furthermore, the process of testing controls, performing walkthroughs, and conducting operational risk assessments can all be automated through the use of metrics derived from survey results or integrated audit analytics (optional solution: Robotics).

Did this Control operate effectively?

Testing conclusion

☒ Deficiency(ies) Noted ☒ Automated

Save

Supporting Evidence

Drag & Drop

Metrics

FINANCIAL REPORTING REVENUE DISCREPANCY KCI

34,795.05

Data Analytics

Track audit progression and staff time budgeting

Audit progression and staff time budgeting can be tracked and monitored both from the perspective of a manager/director and a staff auditor. Both individuals will log in to the Galvanize Software via the HighBond platform at www.highbond.com. Both managers and auditors will click into the Projects Module that houses Galvanize's workpaper management and audit management solution.

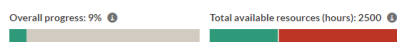
Managers will see a view of all their unit's audit projects centralized in a single dashboard. The dashboard will track each audit projects' progress, percent complete, start date, and due date. Built in capabilities also include detailed time sheets, budgeting views, and an individual project status tracker.

[Assurance Plans /](#)

FY19 Audit Planning

2018 - 2019

Initial plan for FY19



Plan projects Risks Activities

Show coverage in 

Entities


Categories

Top level entities

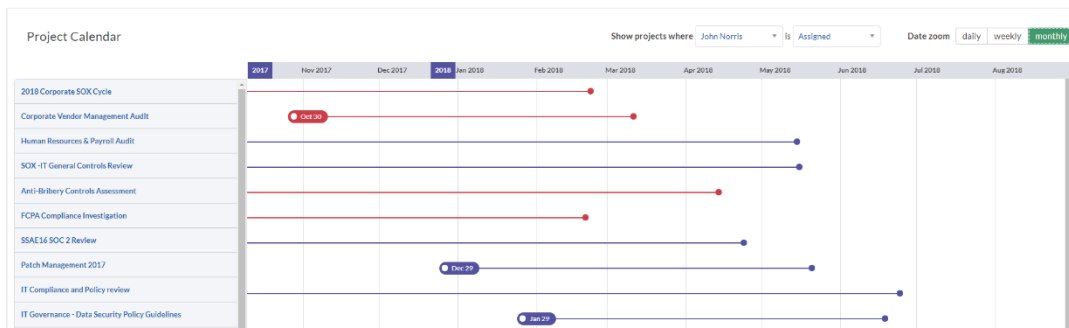
Entities not covered (4)

| Project | Status | Hours | Progress | Audit Areas | Audit Types | Internal A... | Location | Operating ... | Originations | Patrol Divi... | Plant Prop... | QA | Servicing |
|--|-----------|-------|----------|-------------|-------------|---------------|----------|---------------|--------------|----------------|---------------|----|-----------|
| Building Security Audit 2019 | Proposed | 400 | 0% | | | | | | | ✓ | | | |
| Compliance Training and Governance | Completed | 200 | 40% | | ✓ | | | | | | | | |
| Cyber Security Audit | Proposed | 100 | 0% | | | | | | | ✓ | | | |
| Internal Control for Audit plan | Proposed | 2000 | 0% | ✓ | ✓ | ✓ | | | | | | | |
| Internal Controls Assessment (IT) 2020 | Proposed | 250 | 0% | ✓ | ✓ | | | ✓ | | | | | |
| Internal Controls Process Audit (ICOS... | Active | 100 | 18% | | | | | | | ✓ | | ✓ | ✓ |
| IT General Controls Review | Active | 320 | 6% | | ✓ | | | | | | | | |
| John Deere Example | Proposed | 2019 | 0% | | | ✓ | ✓ | ✓ | ✓ | | | | |
| Payroll Audit | Active | 150 | 0% | | | | ✓ | | | | | | |
| Policy Compliance Testing | Active | 150 | 36% | | | | | | | | | ✓ | |
| Procurement Review | Proposed | 200 | 0% | | | | ✓ | ✓ | | ✓ | ✓ | | |
| Sox Audit 2020 | Proposed | 500 | 0% | ✓ | | | | ✓ | | | | | |
| SOX Review 2019 | Active | 490 | 23% | | | | | ✓ | | | | | |

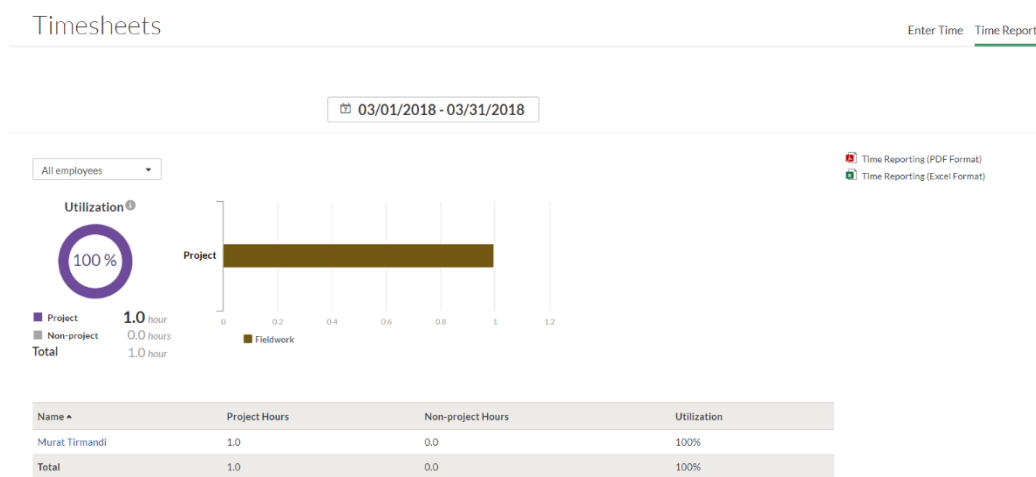
Upon clicking into the Projects Module, Staff Auditors will view a dashboard of all the existing projects they are working on that will include all the relevant performance related data and metrics.

| Project Status Tracker | | | | | Active Projects Status | |
|-----------------------------------|--------------|----------------|-----------|--------------|---|--|
| Project Name | Time Expired | Work Completed | Budget | Time Spent | Active Projects Status (PDF Format) | |
| 2018 Corporate SOX Cycle | 100.0% | 34.0% | 300 Hours | 46.0 Hours |  Active Projects Status (PDF Format) | |
| Corporate Vendor Management Audit | 100.0% | 31.3% | 190 Hours | 22.0 Hours | | |
| Human Resources & Payroll Audit | 90.4% | 51.9% | 350 Hours | 107.0 Hours | | |
| SOX -IT General Controls Review | 92.4% | 62.5% | 350 Hours | 373.25 Hours | | |
| Anti-Bribery Controls Assessment | 100.0% | 35.2% | 480 Hours | 42.5 Hours | | |
| FCPA Compliance Investigation | 100.0% | 37.0% | 185 Hours | 4.0 Hours | | |
| SSAE16 SOC 2 Review | 99.1% | 60.4% | 250 Hours | 53.0 Hours | | |

Staff Auditors will also be able to view their project calendar and track their time against the various audit projects they are assigned to complete in a given yearly cycle.

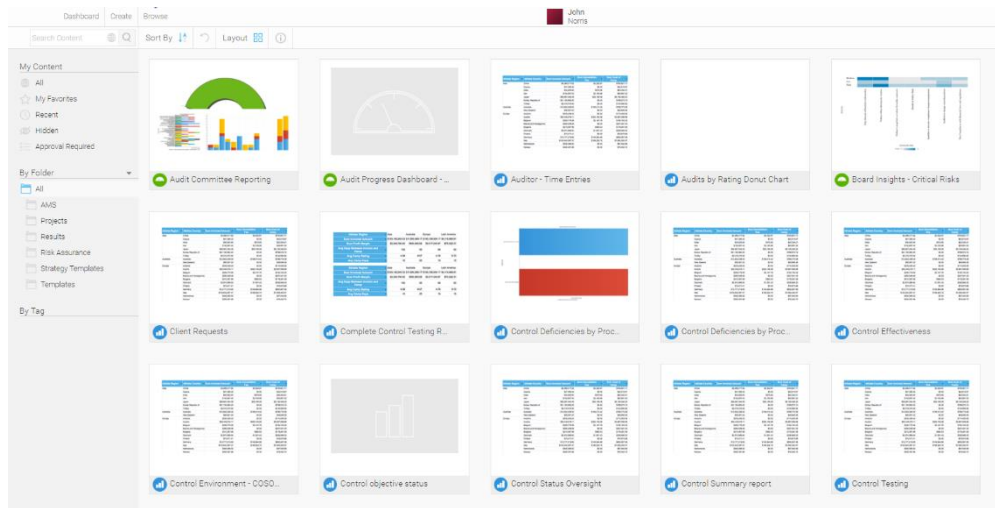


Individual and group timesheets and reports can be viewed in a single out of the box report.



Reporting capabilities of audit plan completion, auditor performance, and audit results

HighBond includes an out of the box reporting tool that allows users of the software to create a variety of reports without requiring any software development or coding skills. The reporting capability is specifically designed for non-technical users. The below is a screen shot of example reports other customers have used.



Allow for one risk assessment however segregation of multiple audit plans and workflow management, is achievable.

If desired, risk assessments can be performed once and used across multiple audit programs or plans. Furthermore, distinct or respective audit plans can be supported via a single Galvanize system environment yet remain independent from one another through configurable user access roles or privileges.

SC - Audit Enterprises

Search
Tags
Status
Clear

All Projects (36)
New
Show favorites first

| Project Name | Status | Progress | Start Date | End Date |
|--|--------|----------|------------|------------|
| ★ Purchase Card Audit (2018) | Active | 58% | 01/14/2017 | 11/21/2017 |
| ☆ 2016 Disbursements Audit | Active | 41% | 02/19/2017 | 01/19/2018 |
| ☆ 2017 Agency Payroll Audit | Active | 33% | 12/25/2015 | 12/14/2016 |
| ☆ 2018 IT General Controls Review | Active | 19% | 07/09/2018 | 07/28/2018 |
| ☆ Anti Bribery and Corruption Internal Control Fr... | Active | 6% | 01/31/2017 | 01/31/2017 |
| ☆ Central Expense Tracking Review | Active | 42% | 02/05/2017 | 11/11/2017 |
| ☆ Clery Act FY17 | Active | 5% | 05/17/2017 | 09/17/2017 |

Priorities

View All

Assigned To Me

Requests 4

To-Dos 3

Issues 14

Actions 5

Reviews 1

Assigned By Me

Requests 27

To-Dos 5

Actions 8

Reviews 22

Planning And Results

Importing Risk and Control Framework

HighBond includes an out-of-the-box tool that allows users of the Risk and control frameworks are industry-specific, pre-built risk and control matrices that can be imported into an existing project or framework associated with a Workplan or Internal Control workflow.

ITGC Control Framework

Dashboard Reference **Sections** Reviews Assurance

Logical Access

Overview **Risk Control Matrix** Test Plan

Process Description: Controls provide reasonable assurance that logical access to system resources (e.g., programs, data, tables, and parameters) is restricted to properly authorized individuals. [edit](#)

View by: **Risk** Control

| Risk | Impact | Likelihood | Control count | |
|--|--------|------------|---------------|-----------------------------------|
| LA-: Untitled Risk Unauthorized users are able to access customer information through the application as a result of having too much access or too weak password security | Medium | High | 1 | Associate Control |
| LA-: Untitled Risk Unauthorized users are able to access customer information through the operating system as a result of having too much access or too weak password security | High | Medium | 4 | Associate Control |
| LA-: Untitled Risk Unauthorized users are able to access customer information through the supporting database system as a result of having too much access or too weak password security | High | Medium | 2 | Associate Control |

RFI Questions

1. Allows for efficient documentation and review of audit work and recommendations in compliance with professional standards, accommodating a wide variety of external audit types and sizes

- ✓ Yes. The HighBond platform includes audit templates for commonly used audits and is compliant with professional standards. You are also able to configure the audit type and sizes as needed. HighBond users can easily document all aspects of their audits. The system allows users to easily, review, leave coaching notes, and sign off on all aspects of the audit workflow. These workflows are configurable to multiple audit types and sizes.

2. Customizable User Interface, perspectives (user views) and terminology that allow the workflow to be customized

- ✓ Yes. The HighBond platform allows for several different user views, terminology, and configuration to ensure the solution is the best fit for your team, audits, and workflows. For example, when a field auditor logs in, they can be greeted by a dashboard reflecting the status and key information of the audits they are uniquely assigned to. This dashboard will contain different views depending on the user. Terminology can also be configured to reflect the type of audit, steps, and workflows required for that given audit. The system is built so that the users with the appropriate privileges can easily make changes without requiring software coding, development, or help from Galvanize.

Dashboard contextual to the user seen below

Demo Audit - Purchase Card

Dashboard

Planning

Fieldwork

Reviews

Results

Issues

My work status

Show all fieldwork

| Objective | Prepared | Detail review | General review |
|--|----------|---------------|----------------|
| > Approval of purchase card transactions | 1/6 | 1/6 | 1/6 |
| > Card issuance and management | 0/6 | 0/6 | 0/6 |
| > Employee purchase card transactions | 1/20 | 0/20 | 0/20 |
| ▼ Purchase card master file management | 0/6 | 0/6 | 0/6 |
| ▢ Risk Control Matrix | 0/1 | 0/1 | 0/1 |
| > Execute Controls | 0/5 | 0/5 | 0/5 |

> Recent Activity

Download activity log

Show content

Comparison between a workplan audit vs. Internal control audit

Demo Audit - Purchase Card

| Dashboard | Planning | Fieldwork | Reviews | Results | Issues |
|---|----------|-----------|---------|---------|--------|
| Purchase card master file management | | | | | |
| <div> <div>Overview</div> <div>Risk Control Matrix</div> <div>Execute Controls</div> </div> | | | | | |
| <div>Objective Details</div> <div> <div>Title</div> <div>Purchase card master file management</div> </div> <div> <div>Description</div> <div>Add description...</div> </div> <div> <div>Reference</div> <div>C</div> </div> <div> <div>Division/Department</div> <div>Add division/department...</div> </div> <div> <div>Owner</div> <div></div> </div> <div> <div>Executive Owner</div> <div></div> </div> <div> <div>Assigned User</div> <div>Tina Guo</div> </div> <div> <div>Entity Coverage</div> <div>Show content</div> </div> | | | | | |

Sarbanes-Oxley (SOX) Audit Template (COSO 2013 Framework) V2

| Dashboard | Planning | Fieldwork | Reviews | Results | Issues |
|---|----------|-----------|---------|---------|--------|
| Payroll & Human Resources | | | | | |
| <div> <div>Overview</div> <div>Narratives</div> <div>Risk Control Matrix</div> <div>Walkthroughs</div> <div>Test Plan</div> <div>Testing</div> </div> | | | | | |
| <div>Process Details</div> <div> <div>Title</div> <div>Payroll & Human Resources</div> </div> <div> <div>Description</div> <div>Payroll & Human Resources</div> </div> <div> <div>Reference</div> <div>HRP</div> </div> <div> <div>Division/Department</div> <div>Add division/department...</div> </div> <div> <div>Owner</div> <div></div> </div> <div> <div>Executive Owner</div> <div></div> </div> <div> <div>Assigned User</div> <div>Tina Guo</div> </div> | | | | | |

3. In addition to laptops and desktop computers, ability to use mobile devices and tablets for access

- ✓ HighBond is compatible with current versions of Internet Explorer, Google Chrome, Mozilla Firefox, Safari and Microsoft Edge
- ✓ There is also a native mobile app for both IOS and Android users

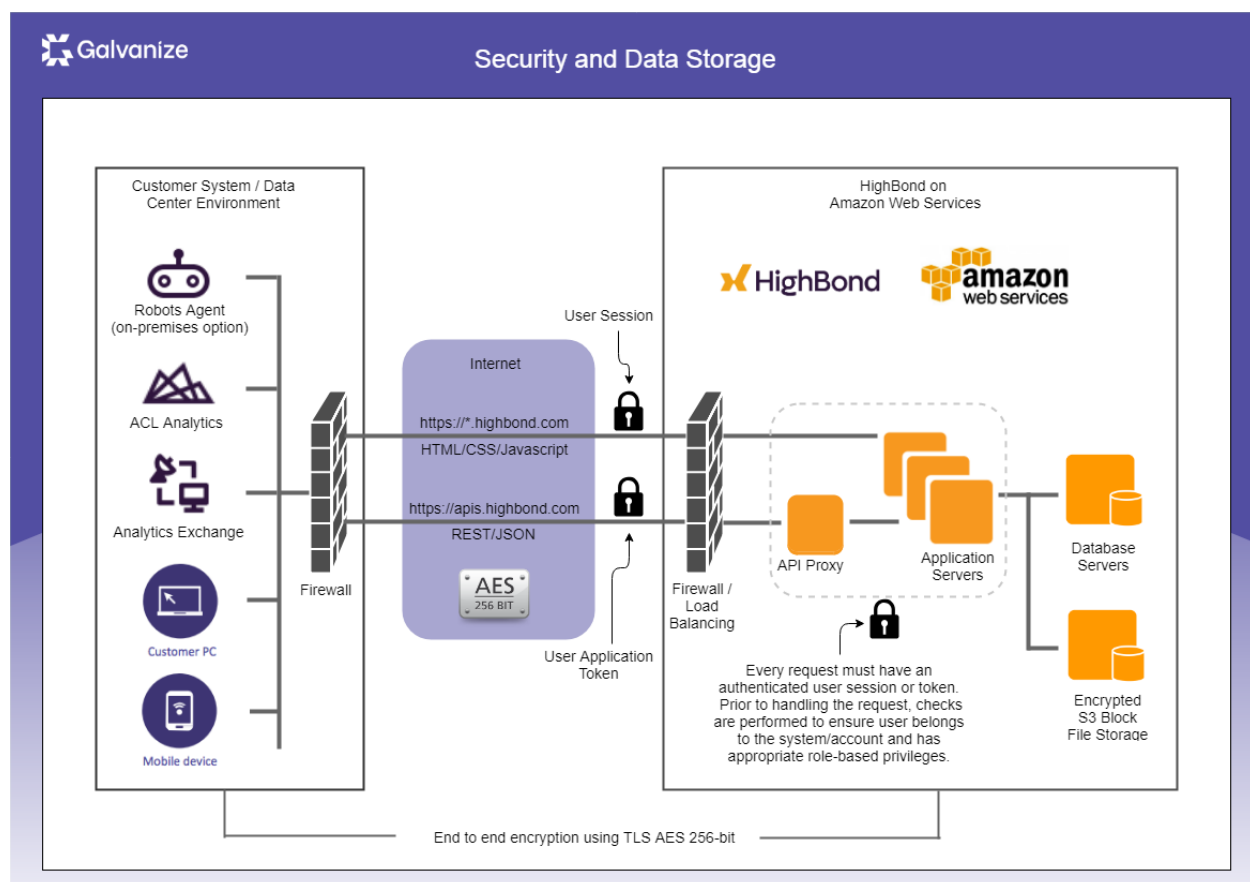
4. All associated server environment data (operating system, data base brand and architecture, required framework and/or stack)

We provide a multi-layered security environment following the principles of least privilege, separation of duties, defense in depth, and usability. Customers have full ownership of user access controls and manage the entire customer data life cycle in deciding:

- ✓ What data goes into the system
- ✓ How long it should be retained
- ✓ What data should be deleted
- ✓ Who can access the data

Our service is hosted by Amazon Web Services, a widely recognized and industry leading cloud infrastructure vendor, and takes advantage of the security infrastructure and benefits provided by Amazon. Within the hosted environment, our customers are provided with their own application environment (your Galvanize service).

We manage the overall application infrastructure and our customers manage the end-user security and access control to own application environment. For more information, see [Policies & Processes](#).



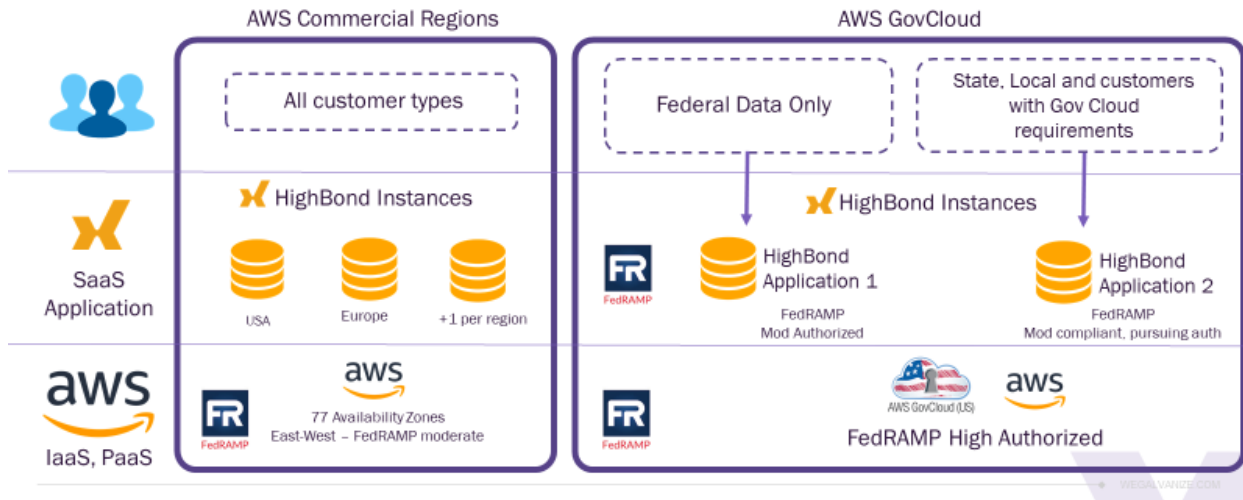
HighBond is hosted on Amazon Web Service and as a result does not require any maintenance or infrastructure from our customers. To ensure our government customers receive best of breed security, we offer several AWS deployment options.

1. AWS Commercial
2. AW GovCloud

The below image describes the options in greater detail. However, because we are a SaaS product, all hosting options benefit from the same security controls.

HighBond Overview

- We are a multi-tenant SaaS application available in AWS commercial and GovCloud Regions.
- Our service is designed to take advantage of the efficiency and accessibility of a cloud-based, software as a service (SaaS) delivery model.



HighBond SaaS Platform Benefits

- ✓ Custom-built for the cloud and designed to meet the most stringent security requirements in the world
- ✓ Deployment decreases from months to weeks
- ✓ No dependence on in-house IT service costs, no manual updates, maintenance or hosting costs
- ✓ Non-disruptive weekly delivery of new features, enhances and fixes – no versions to manage, no waiting with outstanding vulnerabilities
- ✓ Secure with SOC2 and FedRAMP certifications
 - **Please visit the official FedRAMP site for the list of those organizations that are FedRAMP authorized: <https://marketplace.fedramp.gov/#!/products?sort=productName> You can enter any audit software vendor, and you will only find one provider, and that is Galvanize and our HighBond platform.**
- ✓ Accessible anywhere and from any device (iPad, iPhone, Android)

5. Ability to operate on current MS Windows 10 OS and future patch releases and updates

- ✓ Yes. HighBond is able to operate with current MS Windows 10 OS.

6. Compatible and fully integrated with latest versions of MS Office Products, including Office 365 (cloud and desktop clients) and Office 2016

- ✓ Yes. HighBond is compatible with the latest versions of MS Office products and Office 365, Cloud & Desktop, as well as Office 2016.

7. Compatible with latest versions of common web browsers (Google Chrome and Microsoft Edge) K645-RFI-2011 Page 3

- ✓ Yes. HighBond is compatible with current versions of Internet Explorer, Chrome, Mozilla Firefox, Safari and Microsoft Edge

8. Compatible with common electronic document file types and associated 3rd party software, including but not limited to .PDF portable document files (Adobe and Nitro Pro), .JPEG and BMP digital images, .TXT text files, and .ZIP compressed data files

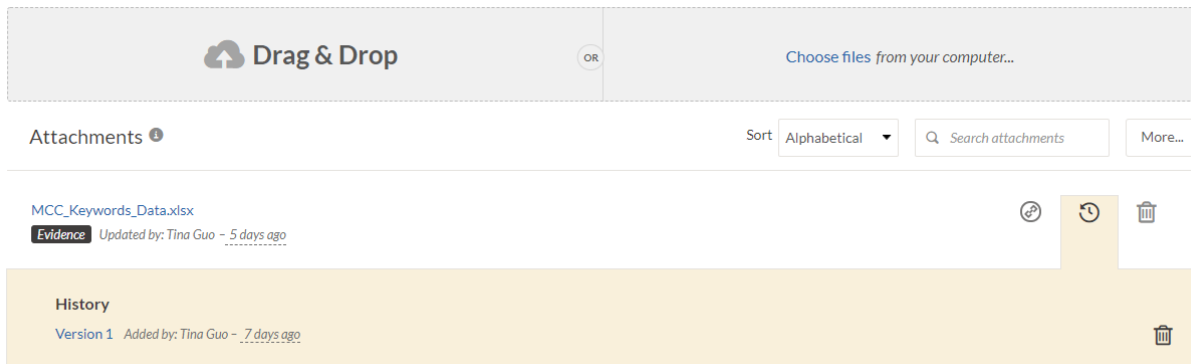
- ✓ Yes. HighBond is fully compatible, and has the ability to upload files of any format as supporting documents and requested documents from business units.

9. Ability to attach external files (i.e. pdf, docx, xlsx, jpg, bmp, tif, etc.) to all work flow items

- ✓ Yes. HighBond has the ability to attach external file formats mentioned above as supporting documents.

10. Workflow tracking (edit history) including status designations (such as prepared and supervisor reviewed)

- ✓ Yes. All activities are recorded within HighBond for a complete audit log that can be downloaded if needed. Furthermore, all documents attached to the system are automatically version controlled and time stamped. Each of the additional version is downloadable as well. This means an auditor can revert to an old version of a document in case an error was made in saving a new version.



HighBond offers several reporting options that track and display workflow status and designations. From dashboards to one click reports, users can easily understand the status of a given audit.

Below are some examples of available one click reports and a dashboard.

Purchase Card Storyboard

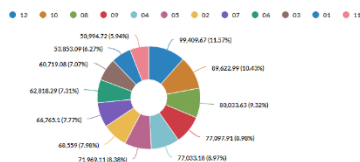
This storyboard shows real-time tracking of employee transactions posted to their corporate cards. Metric next to this shows the trend of flagged transactions based on blocked MCC code from Q1 to Q4 in 2018

QUARTERLY TOTAL OF FLAGGED TRANSACTIONS TREND

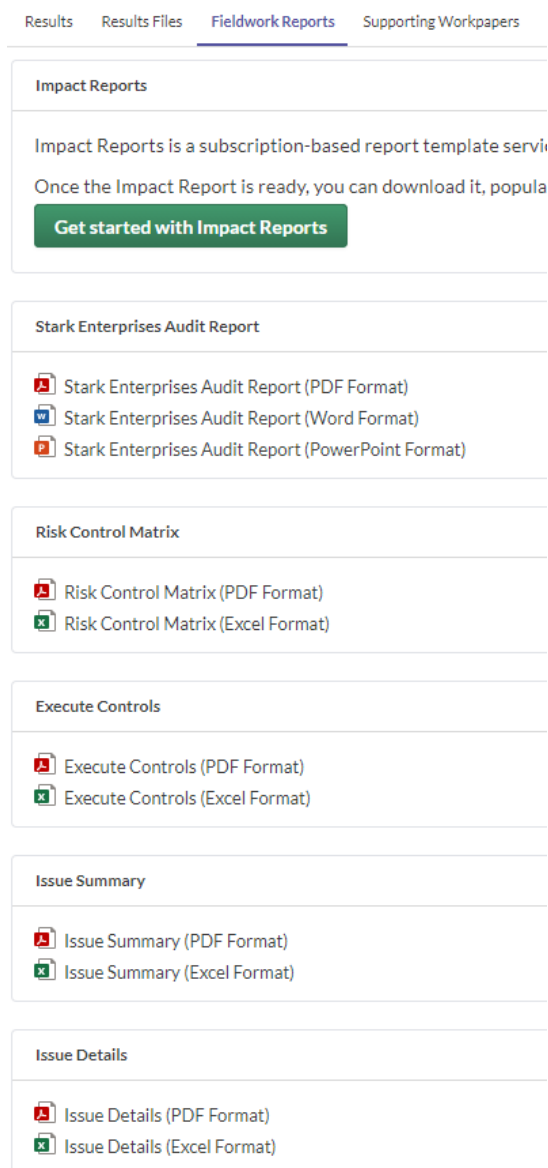
240,027.38 ↑7.2%



TRANSACTION AMOUNTS BY MONTH



This chart shows a visualisation of the transactions over the corporate card limit grouped by month. There is a significant increase in over limit transactions in Q4 in comparison to Q1.



11. Electronic workpaper management including version control and automated assignment of workpaper identification numbers (audit reference codes)

- ✓ Yes. HighBond has robust version control capabilities. Users can “go back in time” to view prior versions of documents in case new versions were accidentally edited incorrectly.
- ✓ ID numbers can be automatically generated and are also customizable.

12. Ability to restrict editing or changes to engagement projects or workpapers for retention purposes (i.e. finalization, freezing or archiving procedures)

- ✓ Yes. Users are able to restrict editing or changing engagement projects and workpapers. Projects and Workpapers can be retained in the system as long as the customer requires without any limit to storage or impact on performance.

13. Ability to set engagements and workpapers as confidential (limited or restricted access)

- ✓ Yes. Confidential workpapers and engagements can be limited to only select personnel. Limited or restricted access is governed by user access privileges and users will only see projects to which they are assigned.

14. Ability to search by keywords, attributes, and/or values

- ✓ Yes. You are able to search the audits by using keywords, attributes and values.

15. Ability to meet compliance regimes that may include storage and transmission requirements for health records, payment card information, personally identifiable information, or other types of confidential information

- ✓ Yes. HighBond is able to meet compliance regimes regarding health records, payment information and personal information. We will also do a BAA agreement, to cover associate requirements for both HIPAA and PCI.
- ✓ All necessary securities are in place. We are SOCII Certified and FedRAMP Authorized.

16. Exception and audit issue tracking for follow-up corrective action

- ✓ Yes. Exception and issue tracking are available along with areas for action plans. Each issue tracked can be inputted into the platform with customized attributes and direct hyperlinks to the original control. You can set follow up and remediation plans as required by your business processes and work through them with workable action plans. Each of the action plans can be sent to units assigned for remediation and comes with automatic notifications before due dates. This centralizes all the remediation information within the platform and allows for accountability on the issue remediation.
- ✓ See below, template for tracking issues

The screenshot displays the HighBond platform interface for a 'Demo Audit - Purchase Card'. The top navigation bar includes tabs for Dashboard, Planning, Fieldwork, Reviews, Results, and Issues, with 'Issues' currently selected. Below the navigation, the 'Issue Details' section is visible, showing information for an issue titled 'Suspicious transactions flagged'. The details include a description of 15 flagged transactions, the owner Tina Guo, a recommendation to add a recommendation, and a finding type with medium severity. A right-hand sidebar provides additional context, including the issue source, data analytics showing 426 records identified in 3 linked data tests, and sections for Requests, To-do's, and Time Tracking, each with 'View all' and 'Add' buttons.

See below, template for action plans

Please work with business unit to follow up



Overview

Update Action

Title

Please work with business unit to follow up

Assigned by

Tina Guo

Owner

Management

Email address

tina.galvanize@gmail.com

☐ Send notification now

☒ Send weekly reminder

☒ Include issue title/headline and description

☒ Include remediation plan and deadline

Tip: Including issue or remediation plan details provides additional context to those without access to the audit.

Description

Format



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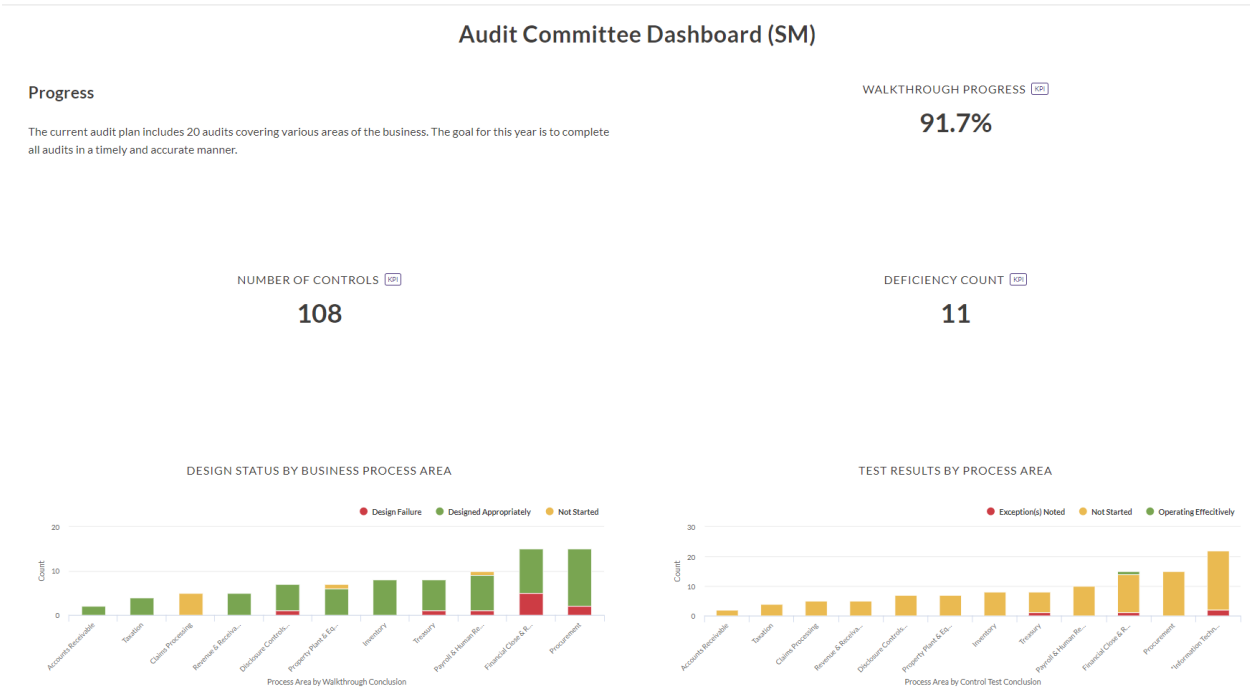
Please find out from business unit

1. If the transactions are pre-approved
2. Reason why they have not been signed off

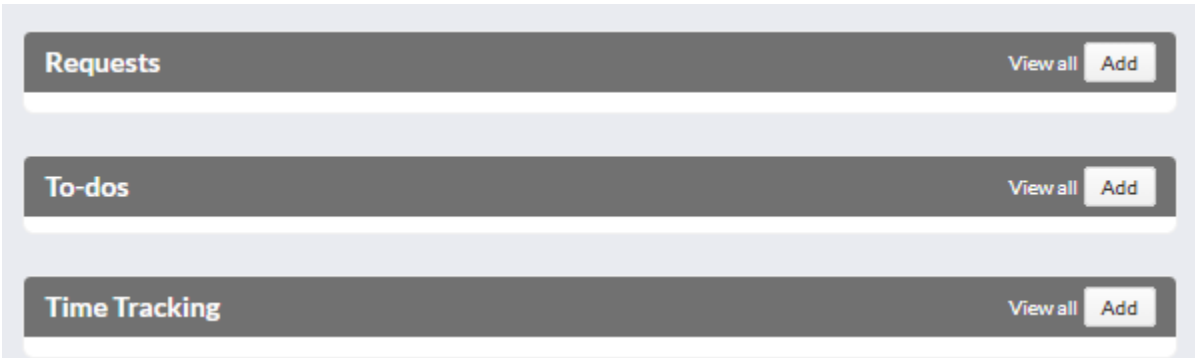
Words: 19

17. Ability to support real-time digital collaboration through dashboard reports and supervisor reviews (edit comments)

- ✓ Yes. There are real-time dashboard reports. Supervisors and reviewers can input comments at any point in the audit.
- ✓ See below, a sample of a customizable dashboard to track audits



- See below, supervisors and reviewers can use To-Do notes to input comments



18. Provide real-time tracking of work flow and project status

- ✓ Yes. There are real-time tracking of workflow and project status.
- ✓ See below, audit progress is shown in main project page to have oversight on all projects at once

| All projects (11) | | | | | | | New ▾ | <input type="checkbox"/> Show favorites first |
|-------------------|--|-----|--------|----------------------------|------------|------------|-------|---|
| | Project name | ↓ ▴ | Status | Progress | Start date | End date | | |
| ★ | Accounts Payable Audit 2020 | | Active | 8% <div><div></div></div> | 09/03/2020 | 12/31/2020 | | |
| ★ | Demo Audit - Purchase Card | | Active | 20% <div><div></div></div> | 03/27/2020 | 12/31/2020 | | |
| ☆ | GAGAS Financial Audit (GAO 2018) | | Active | 0% <div><div></div></div> | 10/20/2020 | 10/20/2020 | | |
| ☆ | GAGAS Performance Audit | | Active | 0% <div><div></div></div> | 10/02/2020 | 05/31/2021 | | |
| ★ | Overtime Audit | | Active | 33% <div><div></div></div> | 10/12/2020 | 05/31/2021 | | |
| ☆ | Payroll Audit (Analytics Instructed) | | Active | 0% <div><div></div></div> | 03/16/2020 | 12/31/2020 | | |
| ☆ | P-CARD Audit (GAGAS Performance) | | Active | 0% <div><div></div></div> | 10/02/2020 | 07/31/2021 | | |
| ☆ | Purchase Card Audit (Analytics Instructed) | | Active | 17% <div><div></div></div> | 03/12/2020 | 09/30/2020 | | |
| ☆ | Safety and Security Assessment | | Active | 8% <div><div></div></div> | 03/05/2020 | 01/31/2021 | | |
| ☆ | Sarbanes-Oxley (SOX) Audit Template (COSO 2013 Framework) V2 | | Active | 0% <div><div></div></div> | 09/28/2020 | 01/06/2021 | | |
| ☆ | Travel & Entertainment Audit (Analytics Instructed) | | Active | 0% <div><div></div></div> | 03/16/2020 | 12/31/2020 | | |

See below, control progress on the dashboard is updated in real time

Demo Audit - Purchase Card ▾

Dashboard Planning Fieldwork Reviews Results Issues

My work status

☐ Show all fieldwork ⓘ

| Objective | Prepared | Detail review | General review |
|--|----------|---------------|----------------|
| > Approval of purchase card transactions | 1/6 | 1/6 | 1/6 |
| > Card Issuance and management | 0/6 | 0/6 | 0/6 |
| > Employee purchase card transactions | 1/20 | 0/20 | 0/20 |
| > Purchase card master file management | 0/6 | 0/6 | 0/6 |

- Similar to #17, you can create customized dashboards to display audit details as well.

Audit Committee Dashboard (SM)

Progress

The current audit plan includes 20 audits covering various areas of the business. The goal for this year is to complete all audits in a timely and accurate manner.

WALKTHROUGH PROGRESS ⓘ

91.7%

NUMBER OF CONTROLS ⓘ

108

DEFICIENCY COUNT ⓘ

11

DESIGN STATUS BY BUSINESS PROCESS AREA

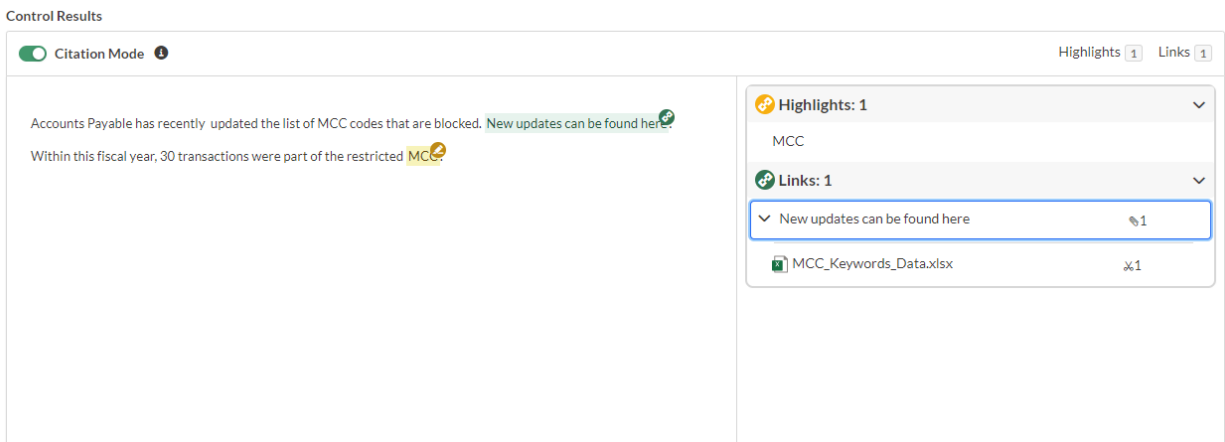


TEST RESULTS BY PROCESS AREA



19. Ability to add hyperlinks and bookmarks for cross-referencing and efficient navigation

- ✓ Yes. You are able to bookmark links and copy hyperlinks of the audits as needed. All text fields are rich text field to include formatting options as you need in your workpapers. All documents attached to the system are automatically version controlled and time stamped. This means an auditor can revert to an old version of a document in case an error was made in saving a new version.
- ✓ See below, to combine results with supporting documents, we offer citation mode to help with cross referencing across multiple documents of various length. You can add highlights and clippings to your results within the reference documents to make it easier for the next review.



20. Ability to create and maintain templates of our knowledge base which can be imported into the audit documentation software

- ✓ Yes. You can create templates and customize templates with each audit cycle you proceed through.
- ✓ HighBond allows users to rollforward any project thereby simplifying the creation of a new project. When rolling forward a project, the user can elect to include or exclude the evidence and data collected in the prior audit/engagement.
- ✓ See below, examples of out-of-box templates provided. You are also able to customize these templates and adjust them to use for repeating audits

| | |
|---|------------------------------|
| Sarbanes-Oxley Review Templates | |
| Sarbanes-Oxley (SOX) Audit Template (COSO 2013 Framework) V2 | Use Template |
| IT General Controls Review (SOX Context) V2 | Use Template |
| Internal Audit (Financial & Internal Control) Templates | |
| Sales Commissions Audit | Use Template |
| IT General Controls Review (IA Context) | Use Template |
| Anti Bribery and Corruption Internal Control Framework | Use Template |
| SOC/SSAE 16/ISAE 3402 Audit Templates | |
| SOC Audit - Technology Service Organization | Use Template |
| Internal Audit (Operational) Templates | |
| Travel & Entertainment Audit (Analytics Instructed) | Use Template |
| Order to Cash Audit (Analytics Instructed) | Use Template |
| Purchase Card Audit (Analytics Instructed) | Use Template |
| Payroll Audit (Analytics Instructed) | Use Template |
| Purchase to Payment Audit (Analytics Instructed) | Use Template |
| Compliance Investigation/Examination Templates | |
| FCPA Compliance Investigation | Use Template |
| GAGAS Performance Audit (GAO 2018) Templates | |
| GAGAS Performance Audit (GAO 2018) | Use Template |
| GAGAS Agreed-Upon Procedures Engagement (GAO 2018) Templates | |
| GAGAS Agreed-Upon Procedures Engagement (GAO 2018) | Use Template |
| GAGAS Financial Audit (GAO 2018) Templates | |
| GAGAS Financial Audit (GAO 2018) | Use Template |

21. Administrative capabilities to establish and update user accounts, system polices, and workflow preferences

- ✓ Yes. System administrators will be able to update user accounts, system policies and workflow preferences directly in the organization settings.

22. Administrative rights to specify user access policies and permissions (controlled user access). User permission and access controlled by System Administrator

- ✓ Yes. User access policies and permissions are controlled by the system administrator.

23. Open APIs or other means for integration with other software modules and applications, dashboards and reports

- ✓ Yes. HighBond offers open API built on the JSON v1.0 specifications. For more information on API documentation, please click [HERE](#)
- ✓ HighBond also provide database connectors for Active Directory, SAP, Jira etc. Full list of database connectors can be found [HERE](#)

24. Ability to copy, duplicate, transfer, and generate printable reports for all work product within the software solution

- ✓ Yes. There are customizable report options within the software solution
- ✓ One-click reports are out-of-box. This report pulls information from the workpaper and input it into PPT, DOCX or PDF format and is downloadable within a few seconds.
- ✓ Customizable reports can be built using our BI tool. You can build customized reports and dashboard based on any of the fields in the workpaper.

- ✓ Impact reports are customized one-click reports built during the implementation period. The impact reports can be matched to the existing format, colour and font and pull information from the workpapers. Impact reports can take an existing report writing process and have the report downloadable within a few seconds, similar to the out-of-box one-click reports.

25. Offline System Capable, without network connection to cloud or main server, while maintaining central database

- ✓ Yes. HighBond has an offline mode that allows you to check out audits to work on in places with limited internet or LTE access. You are able to check out sections of your fieldwork to work in places with limited access. This will leave the fieldwork in read only mode within that audit so no one else can make changes until you sign them back in.

26. Supports data backup and recovery. Prefer ability to recover individual audit files without having to roll back the entire database

- ✓ Yes. Hourly backup is provided as standard in the infrastructure. All documents attached to the system are automatically version controlled and time stamped. This means an auditor can revert to an old version of a document in case an error was made in saving a new version.

27. Auto-Sync Capable with conflict identification and resolution features

- ✓ Yes, We sync from offline to online and if there's a problem they get an email notification.

28. Ability to import and export (e.g. project rollover) information and work product within the software solution. Please specify acceptable data formats for import/export and inter-application analysis and reporting

- ✓ HighBond allows users to rollforward any project thereby simplifying the creation of a new project. When rolling forward a project, the user can elect to include or exclude the evidence and data collected in the prior audit/engagement.
- ✓ In terms of reporting and analysis, the HighBond platform is extremely flexible.
 - Bulk upload tools allow for easy imports of data.
 - We have over 100 pre-built data connectors as well as ODBC and open API which allows us to connect with effectively any data source.
 - Our workpaper and audit management solution is built to integrate seamlessly with ACL Analytics /ACL Robotics.
 - In addition to our own native reporting tools, many customers leverage integrations with reporting tools like Tableau & PowerBI.

29. Ability to customize configurations based on preferred workflow using specific fields and values such as: project names, client names, client types, engagement numbers, engagement types, reporting periods, and report issue dates


- ✓ Yes. There are flexible configuration management within HighBond. We have a variety of pre-built project templates for audit that are structured to industry's best practises. These out of box templates are also highly configurable to fit specific processes within each organization. Customers can easily apply configurations to terminology, hide/show key system fields and sections. Once set up, they can be re-used across relevant audits.

See below, you are able to adjust the terminology and enable/disable portions of the workpaper if needed.

Configure Project Type “GAGAS Performance Audit (GAO 2018)”

Project Planning Section Narrative Risks and Controls Walkthrough Test Plan Testing Results Issues Notifications

Name

GAGAS Performance Audit (GAO 2018) 

Description (optional)

Term for project

Audit

Term for Budgeted Hours

Budgeted Hours

Term for fieldwork start date

Fieldwork Start Date

Term for Target Completion Date

Target Completion

Term for Certification

Certification

Term for Certifications

Certifications


30. Policy and Terminology Configuration Management: structured hierarchy; provides for configuration updates that associate all data with the assigned configuration item. All data auto-populates based on administrative configuration. K645-RFI-2011 Page 4

- ✓ Yes. There are flexible configuration management within HighBond. We have a variety of pre-built project templates for audit that are structured to industry’s best practices. These out of box templates are also highly configurable to fit specific processes within each organization. Customers can easily apply configurations to terminology, hide/show key system fields and sections. Once set up, they can be re-used across relevant audits.
- ✓ See below, you are able to adjust the terminology and enable/disable portions of the workpaper if needed.
- ✓ If the customer follows Yellowbook standards, there is a pre-built baseline GAGAS template.

Configure Project Type “GAGAS Performance Audit (GAO 2018)”

Project Planning Section Narrative Risks and Controls Walkthrough Test Plan Testing Results Issues Notifications

Name

GAGAS Performance Audit (GAO 2018) 

Description (optional)

Term for project

Audit

Term for Budgeted Hours

Budgeted Hours

Term for fieldwork start date

Fieldwork Start Date

Term for Target Completion Date

Target Completion

Term for Certification

Certification

Term for Certifications

Certifications

31. Online tutorial and offline manual and help functions

- ✓ Yes. HighBond offers Help document and online learning platform all users with subscriptions.
- ✓ Galvanize Academy is an online learning platform to train licensed users on how to use the platform. This includes step-by-step instructions, videos and exercises to help you learn the platform.
- ✓ Help Docs is a knowledge base where you can search up keywords or functionalities to see relevant documentations on how the features will work.
- ✓ Galvanize Community is a forum for all existing customers and licensed users to share ideas and help each other on best practices on the platform.

32. System Training to cover administrative needs and availability during regular business hours to support product issues

- ✓ Yes. HighBond offers platform training during implementation period. We also offer 24/7 support for product issues.
- ✓ You will also be paired with a designated Client Partner, who are former practitioners to assist you in best practices in your organization and building a vision for the audit department within your organization.

33. Expandability and integration support for new technologies (i.e. follows software development best practices and has an active development plan / business plan that will ensure continued compatibility and integration with new technologies)

- ✓ Yes. HighBond product team follows software development practices and they are constantly improving the platform. All updates and patches offer backwards compatibility.
- ✓ HighBond provides a platform to submit feature requests from customers and we provide 2 major releases per year based on the results of the feature requests. Each release will be complete with release notes and webinars to showcase the new features.
- ✓ Utilize the Six-Sigma Methodology

34. Vendor offers enterprise level product and/or service Vendors are encouraged to describe to what extent they can meet or exceed these requirements, and well as the technical hardware and software system requirements for operating systems, web servers, and database servers.

- ✓ HighBond is a flexible audit manage solution designed to drive efficiency across your entire audit workflow, from planning to reporting. The platform allows your team to transition from paper-based methods and spreadsheets to assist in adopting agile auditing methodologies. HighBond offers the ability to scale with your organization. There are built-in best practices to support your entire audit workflow to allow you to gain efficiency within automation and repeatability across your workflow. This can empower your team to manage all of their audit activities and ensure you are delivering value to your board and executives. The centralized platform allows you to improve transparency with real-time dashboards and one-click reports.
- ✓ You are able to improve collaboration within your team and your business units with smoother workflows, automated notifications for reminders for all PBC requests and issue remediation action items. When sharing supporting documents, integrations with MS Office suite allows you to make changes to documents/excel sheets online directly from the platform and retain the version history for data integrity.
- ✓ You are able to integrate powerful analytics to support your audit results with data, this allows you to track enterprise risks across your audit universe so that you can delivery timely insights and provide 100% assurance over key controls and compliance requirements. Data analytics scripts can assist with importing data from your databases, cleansing and analyzing the data so that you can provide data-driven results in your audits.

THE DIFFERENTIATORS

Unlike other vendors, the HighBond platform provides our customers with:

- ✓ Data Automation - use data to automate your monitoring of risks, assess controls, spot red flags, mobilize action, and measure performance
- ✓ Built-in Best Practice - use pre-built frameworks, templates, and regulations that are embedded into the platform
- ✓ Professional Development Ecosystem - access courses, receive help and support, gain CPE credits, and network with your peers
- ✓ Yellowbook standards - there is a pre-built baseline GAGAS template.

Unlike spreadsheets, AuditBond provides our customers with the ability to:

- ✓ Embed IIA recommended best practices
- ✓ Illustrate the enterprise risks you are addressing
- ✓ Collaborate with teams without version control issues
- ✓ Maintain audit logs and cite evidence
- ✓ Build, communicate, and get approval on your audit plans
- ✓ Report with the click of a button

Ability to add other Galvanize modules/solutions as your department or other state departments evolve and mature, as opposed to siloed audit only vendors.

- ✓ ***Other Galvanize solutions include...ACL Robotics, ComplianceBond, RiskBond (ERM), ControlsBond, ContinuityBond, CyberBond, FraudBond, IncidentBond, ITRMBond, PolicyBond & ThirdPartyBond.***

References

Galvanize serves over 500 government customers across the United States and over 1,000 government customers globally. We are proud to offer a platform that meets the needs of the myriad audit workflows that public sector customers require. Please contact Randy Nelson to facilitate communication with references.

Implementation

With over 30 years experience supporting government audit customers, we have found one of the most important factors in determining long term success is implementation and adoption. Whether using audit management software for the first time, or switching from an existing software, it is critical that there is a clear plan for migration, implementation, training, and continued adoption.

Should you select Galvanize, we will work with you to detail a specific plan migration, implementation, training, and continued adoption. Below is an example of what a plan might look like.

| | Key Galvanize Activities, Milestones & Deliverables | Your Responsibilities | Number of Hours (approx) |
|---|--|---|--------------------------|
| 1. Plan & Oversee | | | |
| 1.1 Planning & Oversight Remote Activity On-going throughout | <u>Key Activities:</u> <ul style="list-style-type: none"> Kick-off project Develop and agree to project plan Prepare for and hold regular status meetings. | <ul style="list-style-type: none"> Attend meetings and approve high-level project plan. Will require ~8 hours involvement from your audit team. | 8 hours |
| 2. Configure Prototype Solution | | | |
| 2.1 Requirements Gathering Remote Activity Complete by day 21 | <u>Key Activities:</u> Galvanize project team members to interview one or two Subject Matter Experts (SME) from your Audit team and review sample documentation for: <ul style="list-style-type: none"> Current audit process and future needs in areas, including: risk assessments; annual audit planning, scheduling, resource management time tracking, creation and maintenance of audit program libraries, planning, fieldwork, review, issues management & reporting <u>Milestones & Deliverables:</u> <ul style="list-style-type: none"> Requirements for key stakeholders are documented <i>Deliverable:</i> DRAFT Solution Design Document complete. | <ul style="list-style-type: none"> Support interviews & document requests (building on the documents that have been provided). Will require ~ 12 hours of total time from your subject matter experts Review and approve the Solution Design Document. Will require ~ 6 hours from your SME(s). | 24 hours |
| 2.2 Develop Prototype Solutions Remote Activity Complete by day 28 | <u>Key Activities:</u> <ul style="list-style-type: none"> Using a small representative population of examples configure a working prototype in the solution for risk assessments; annual audit planning, scheduling, resource management time tracking, creation and maintenance of audit program libraries, planning, fieldwork, review, issues management & reporting • Validate that the prototyped workflows reflect your needs and the requirements per section 2.1. <u>Milestones & Deliverables</u> <ul style="list-style-type: none"> <i>Deliverable:</i> Approved Prototype Solutions in place that includes all the key requirements as per activity 2.1. <i>Deliverable:</i> Update Solution Design | <ul style="list-style-type: none"> Review and approve the prototyped content & workflow. Will require ~6 hours of time from your SME's Approve the Solution Design Document. Will require 1-2 hours of your SME(s) | 24 Hours |

| | Key Galvanize Activities, Milestones & Deliverables | Your Responsibilities | Number of Hours (approx) |
|---|--|--|--------------------------------|
| | Document, as needed. | | |
| 3. Train | | | |
| 3.1 Training Preparation Remote Activity Complete by Day 28 | <u>Key Activities:</u> <ul style="list-style-type: none"> Agree to training agenda Galvanize trainers prepare training materials <u>Milestones & Deliverables:</u> <ul style="list-style-type: none"> Training logistics in place Deliverable: Agenda agreed. | <ul style="list-style-type: none"> Set-up training users and co-ordinate with attendees. Will require 2 hours from your project manager Attendees to complete the Galvanize online course: "Managing an Audit using GALVANIZE GRC". Online self-paced course that requires 6-8 hours from each attendee. | 8 hours |
| 3.2 Enablement Training On-site activity Complete by Day 40 | <u>Key Activities:</u> <ul style="list-style-type: none"> 2 trainers delivering 3-day remote training session for up to 20 auditors at a time includes as needed training of baseline functionality and the prototyped workflows. <u>Milestones & Deliverables:</u> <ul style="list-style-type: none"> Training is complete. | <ul style="list-style-type: none"> Support logistics. Attend Training. Will require your team to attend the relevant components of the training. Up to 24 hours for each individual. | 48 hours per 20 person session |
| 4. Support | | | |
| 4.1 Data Migration Support – Optional Remote activity Complete by Day 55 | <ul style="list-style-type: none"> Confirm scope of the items to be migrated. Develop migration plan and execute activities. <u>Milestones & Deliverables</u> <ul style="list-style-type: none"> Migration plan agreed. Migration activities assigned to Galvanize are completed | <ul style="list-style-type: none"> Identify components to be migrated. QA and approve the migration. Will require 10 hours for your team. | 24 hours |
| 4.1 Project Wrap-up Remote activity Complete by Day 60 | <ul style="list-style-type: none"> Project close & handover to customer success team. <u>Milestones & Deliverables</u> <ul style="list-style-type: none"> Close Initial Enablement Project | <ul style="list-style-type: none"> Attend meeting. | 0 hours |

Dependencies

- Client to designate an individual to be "project manager". This individual will be responsible for co-ordination, logistics, management of document requests, etc.
- Client's primary contact (admin user) sets up the user profiles of the members of their team, once the application activation email is received.
- The admin user will set up the environment security settings and required configurations (in line with your department security standards and policies).
- Client to confirm network, browser and IT security support a SaaS based solution.
- Client to provide timely support, approval and provide the requisite information to develop requirements and prototypes.
- Team members (end-users) are available as needed to attend the relevant aspects of the HighBond enablement onsite session(s).
- The phases and activities are completed in the order outlined in the table above.

Training

Training sessions for designated OIA individuals

(including up-to-date role-based training materials support)

- All licensed users of the Galvanize solution will have access to the Galvanize Launchpad. This is the central hub where all ancillary resources, help documents, and training materials are located. Users can access the Galvanize Academy from the Launchpad where they will be able to take over 38 courses relating to various role-based uses of Galvanize software products. Up to 27 CPE credits are also available upon completion of certain courses. The Galvanize Academy course are self-directed and can be completed at whatever pace suits the given user.
- Galvanize's Customer Success Organization (CSO) also provides in-person training that is specific to user types and functions with the organization. Prior to delivering the training, CSO will meet with key stakeholders to understand their role in the organization's workflow. From this discussion, custom tailored training program and materials will be created. This approach ensures that the training is specifically relevant to way individual users will use the product in their day-to-day functions.
- Detailed documentation and user-based functions are available through the help documents section of the launchpad and can be accessed by any licensed Galvanize user.

Included with our platform, are several productivity features to ensure your teams will have the right tools to enable their success. These tools are as follows:

- **Academy** – 24/7 online, interactive and comprehensive training is available through Galvanize's academy. Enabling your organization to improve their skills through self-paced lessons and available on-demand. Up to 27 CPE credits available per licensed user.
- **Peer Community** – connect with thousands of passionate Galvanize customers and gurus in the Galvanize community to share best practices, swap techniques, and find information fast.
- **Help Docs** – Our excellent team of technical writers break down and simplify how to use the product to accelerate learning and provide you information when you need it.
- **Continuous Software Updates** – All Galvanize product updates are automatically included in your annual subscription fee. By leveraging our cloud-based HighBond platform you will never have to worry about updating the software.
- **True Mobile GRC** – Native iPhone, iPad, & Android apps. Conduct fieldwork, test work, attach evidence and manage findings all on the comfort of your mobile device. With Galvanize Mobile, you can check out your project section and work offline, providing access to key information on an airplane or at a very remote location.

- **Risk, Control and regulatory standard library** – Galvanize’s portfolio of solutions include integrated product content that can be imported directly into your governance, risk management and compliance programs including curated risks, control frameworks, major regulations and compliance questionnaire templates.
- **Inspirations** – Hundreds of analytic testing ideas built from decades of Galvanize experience. Categorized by process area and industry to make finding inspiration for where and how to apply data analytics and testing easy. These testing ideas link to ScriptHub, an open source repository for Galvanize-Certified scripts, developed and tested by both Galvanize and its’ customer base.
- **ScriptHub** – Pre-built analytic scripts to plug into your projects that allow users to apply advanced data analytic techniques without reinventing the wheel. Scripts are open source, well documented, certified by Galvanize ‘s consultants, and follow best practices which make it simple to implement and impactful to your business.

Maintenance & Support

Timely support for ongoing operations, include case reports with issue prioritization

Galvanize users submit tickets via email, chat, or GALVANIZE’s online ticket portal. Tickets are processed based on four severity levels: Urgent, High, Medium, Low. Case reports are available to customers

| Severity | Urgent | High | Medium | Low |
|---------------|---------|---------|---------|----------|
| Response Time | 2 hours | 4 hours | 8 hours | 12 hours |

| | | | | |
|------------------------|---|--|--|--|
| Chat case submission | 24 hours a day, 5 days a week 3pm Pacific Time Sunday to 5pm Pacific Time Friday | | | |
| Online case submission | 24x7 | | | |
| Support Center | 24x7 | | | |

Service Level Agreement (SLA) response time by priority level

| Severity | Urgent | High | Medium | Low |
|---------------|---------|---------|---------|----------|
| Response Time | 2 hours | 4 hours | 8 hours | 12 hours |

Additional Considerations

Galvanize as a cloud SaaS provider commits to making improvements within our software on an ongoing basis. These improvements include feature updates, and security and performance improvements. With respect to the OFFICE OF THE WASHINGTON STATE AUDITOR requirements for a solution, a foreseeable recommendation in the upcoming years may be the addition of the " Galvanize Robotics (analytics)" solution.

Although the requirements of the proposal do not list any intent to move towards an automated approach to full population data set testing, this is often the next step as experience with many other organizations and state entities indicates.

The key areas of improvement allow for greater assurance over transactional auditing, reduction of time in manual sample testing of data records for audit purposes, and continuous monitoring capabilities where KPI's/KRI's may be developed to assess the health of various departments (depending on established metrics and relevancy).

Additionally, Galvanize is a leader in governance, risk, and compliance (GRC) solutions. We work with over 500 government organizations in North America and over 1,000 globally. From IT risk management and risk assessments, to audit management, and financial control monitoring, our software helps government departments maximize the value they deliver within the constraints of their budgets.

Pricing

Galvanize HighBond is a Software-as-a-Service product. Our cost model is based on two components. Annual subscription and one-time implementation costs.

Subscription cost is typically based on three components:

1. Platform
2. User Licenses (varying types depending on access requirements)
3. Licensed Content (e.g. AGA® Subrecipient Risk Assessment Monitoring Tool, GAGAS 2018 Revision, etc.)

One-Time Costs are for initial training/implementation and can be constructed in the following ways:

1. Time and Materials
2. Deliverable based billing
3. Subscription training & implementation

For a department of 350 auditors, the approximate cost would be between \$200,000 and \$250,000 per year for software (depending on the composition of user licenses and any required content) and the one time implementation & training would likely be between \$75,000 & \$125,000.

These costs are estimates only.