

VENDOR ASSESSMENT

The main objective of a vendor assessment is to determine your vendors' ability to continue service despite any sort of interruption in normal operations. This could include its ability to respond during an interruption to your organization or within its own organization. It is important to complete this assessment for each of your critical vendors so you can understand the level of risk that each poses and plan for alternatives in the event of a recovery.

Step 1: Determine who is a Critical Vendor

Complete the vendor contact information. Then answer each of the questions below to determine the level of vitality to your organization. A "Yes" to any of the statements below would classify this vendor as critical. There may also be vendors who don't meet one of the criteria below, but could still be a critical vendor. If this is the case, put the reasons under "Special Circumstances."

| | | |
|-------------------------------------|---------------|-------------|
| Vendor Name: | | |
| Vendor Business Description: | | |
| Contact Name: | | |
| Contact Phone: | | |
| Contact Email: | | |
| Address: | | |
| City: | State: | Zip: |

| Question | Y/N | Notes |
|--|-----|-------|
| Has access to critical company data | | |
| Performs one or more critical business functions | | |
| Has access to sensitive/confidential customer data | | |
| Has direct impact on revenue or expenses | | |
| Directly impacts your ability to perform one or more critical business functions | | |
| This vendor is the only one who can provide this product/service | | |

Special Circumstances: Another reason, or special situation where this vendor may be critical to business continuity.

Critical Vendor? (Y/N)

VENDOR ASSESSMENT

Step 2: Determine the Level of Risk this Vendor Poses to your Organization

Use the chart below to determine the level of acceptability and impact for your vendors in key areas on business preparedness. This should help you determine your level of risk for each critical vendor. Determine the level of “acceptability” for each statement in the second column –how acceptable is the vendor’s functionality for the “attribute” in question? You should also determine the impact of this function– how important is this attribute in the vendor’s ability to meet your needs as a customer; should that vendor experience an interruption?

Areas with Low Acceptability and High Impact pose the greatest risk while areas with Low impact and High Acceptability pose the lowest risk.

| Attribute | Impact & Acceptability | Notes |
|--|---|---|
| Example: Has 24 hr customer support | Acceptability High Med Low | Vendor promises 24 hr support by phone, low level of risk in this area. |
| | Impact High Med Low | |
| Insurance coverage is adequate | Acceptability High Med Low | |
| | Impact High Med Low | |
| Business continuity plan in Place | Acceptability High Med Low | |
| | Impact High Med Low | |
| Business continuity plan is updated at least annually | Acceptability High Med Low | |
| | Impact High Med Low | |
| Information security policy meets our organizational standards | Acceptability High Med Low | |
| | Impact High Med Low | |
| Remote access to this vendor | Acceptability High Med Low | |
| | Impact High Med Low | |
| Free of negative publicity | Acceptability High Med Low | |
| | Impact High Med Low | |
| Will remain financially viable for the foreseeable future | Acceptability High Med Low | |
| | Impact High Med Low | |

VENDOR ASSESSMENT

| | | |
|---|-------------------------------|--|
| Is SAS70 certified | Acceptability High Med Low | |
| | Impact High Med Low | |
| Has a clearly defined service level agreement with our organization | Acceptability High Med Low | |
| | Impact High Med Low | |
| Provides a guarantee for availability | Acceptability High Med Low | |
| | Impact High Med Low | |
| Contractual terms consistently met or exceeded | Acceptability High Med Low | |
| | Impact High Med Low | |
| We have timely access to another vendor(s) that can provide the same product/service for us | Acceptability High Med Low | |
| | Impact High Med Low | |
| A non-disclosure agreement is in place between parties | Acceptability High Med Low | |
| | Impact High Med Low | |
| | Acceptability High Med Low | |
| | Impact High Med Low | |
| | Acceptability High Med Low | |
| | Impact High Med Low | |
| | Acceptability High Med Low | |
| | Impact High Med Low | |
| | Acceptability High Med Low | |
| | Impact High Med Low | |

VENDOR ASSESSMENT

Vendor Assessment Summary – detail your plans to build a strategy with this vendor to mitigate risks during a recovery:

- Step 1
- Step 2
- Step 3
- Step 4
- Step 5