Maine Public Employees Retirement System
Request for Proposals 2026- 006
Internal Audit Services

1. **About:** The Maine Public Employees Retirement System (MainePERS) is a quasi-governmental agency operating in Augusta, Maine. For more information about MainePERS please visit our website at www.mainepers.org.

2. **Scope:** The objective of this Request for Proposals ("RFP") is for MainePERS to procure internal audit services from one or more qualified auditing firms.

3. **Definition of Parties:** Respondents to this Request for Proposal (RFP) will hereinafter be referred to as "Bidders," and the Bidder to whom the contract is awarded will hereinafter be referred to as the "Contractor."

4. **Description of Requirements:** Attachment A describes the products and/or services to be provided by the Contractor to MainePERS pursuant to this RFP.

5. **Terms of Contract:** The Contractor will be required to enter into MainePERS' standard contract, a copy of which may be found at Attachment B.

6. **Insurance:** For the duration of the contract, the Contractor will be required to procure, maintain, and provide proof of a liability policy encompassing the services described in this RFP with liability coverage of at least $2,000,000 to protect the Contractor and MainePERS from suits, along with workers' compensation insurance as required by law.

7. **Qualifications:** Each Bidder must demonstrate a minimum of 5 years of experience in the business of providing the services and products described in this RFP and have access to appropriate resources to perform as necessary to meet the obligations of this RFP.

8. **Substantive Questions:** All substantive questions must be submitted in writing via e-mail to RFP@mainepers.org no later than 5:00 p.m. EST on November 30, 2026. We anticipate issuing answers to substantive questions on or before December 7, 2026.

9. **Evaluation Committee:** An Evaluation Committee or person will review, evaluate and score all proposals. Following a preliminary review of all proposals submitted by the deadline, the Evaluation Committee or person may or may not interview those Bidders whose proposals have received the highest scores. The interview would be an opportunity for a Bidder to respond to questions and to clarify its proposal. It will not be an opportunity for the Bidder to submit new information not included in the proposal. If interviews of the top-scoring Bidders are conducted, the Evaluation Committee or person will conduct a post-interview review of the proposals and any further clarification as conveyed through the interview process. Bids will be evaluated using the following weighted criteria:

CRITERIA	WEIGHT
Qualifications	60%
Approach to Internal Audits	15%
Price	25%
Total	100%

10. **Proposal Package:** Proposals must be submitted by email and include the following:

    a. Transmittal email which shall include:

        i. Name and address of the Bidder;
        ii. Name, title, telephone number, and email address of the contact person for the Bidder;
        iii. A statement that the proposal is in response to this Request for Proposal; and
        iv. The Bidder's federal tax I.D. number.

    b. As an attachment to the transmittal email, a PDF file containing the substance of the proposal, including the following mandatory items:

        i. An executive summary of the proposal;
        ii. A description of the Bidder's business; a summary of the Bidder's experience (including any experience with MainePERS); answers to the questions contained in Attachment C; any other information that the Bidder believes is material to its qualifications; and at least three recent references for whom the Bidder has provided internal audit services; and
        iii. A statement that all provisions of Attachment B are acceptable or specifically state any objections to any provisions.

    c. All proposals are due no later than 2:00 p.m. EST on December 21, 2026. Proposals received after 2:00 p.m. will not be considered. Proposals must be submitted by email to RFP@mainepers.org. Mailed, faxed, or hand delivered proposals will not be considered. Bidders will receive an email acknowledging receipt of their proposal. A Bidder who has submitted a proposal and not received an acknowledgment should call (207) 512-3292.

11. **Freedom of Access:** Proposals and any other communications received from Bidders are subject to Maine's Freedom of Access law, 1 M.R.S. ch. 13. If a Bidder believes that a portion of its proposal is exempt from public disclosure under that law, the Bidder must specifically identify that portion and the exemption. Blanket designation of an entire proposal as confidential is ineffective.

12. **Award:** MainePERS intends to award a contract to one or more Bidders who receive the highest scores following the final review.

13. **Award Notification:** All Bidders will be notified of the award decision in writing. MainePERS will initiate contract negotiations with the selected Bidder. Should MainePERS be unable to reach an acceptable contract agreement with the selected Bidder, MainePERS reserves the right to withdraw the award and to make an award in favor of the Bidder whose proposal received the next highest score.

14. **Rights of MainePERS:** The Request for Proposal does not commit MainePERS to award a contract. MainePERS reserves the right to accept or reject any or all proposals received. MainePERS reserves the right not to check any or all references. MainePERS is not required to limit its reference checks to the references supplied by the Bidder. MainePERS has the right to interview any or all Bidders after the RFP deadline. MainePERS may also cancel or amend this Request for Proposal in part or in its entirety.

15. **Timeline for this RFP:** MainePERS has developed the following list of key events related to this RFP. All dates are subject to change at the discretion of MainePERS.

EVENT	DATE
RFP Issued	November 18, 2026
Deadline for Questions	November 30, 2026
Questions Answered	December 7, 2026
Proposal Due Date	December 21, 2026
Evaluation of Proposals	January 4-6, 2027
Execution of Contract	January 15, 2027
Contract Start Date	February 1, 2027

Attachment A
Specifications of Work to be Performed
and Products to be Provided

MainePERS seeks to procure internal audit services from one or more qualified independent auditing firms. The intent is to create a list of qualified providers of internal audit services from which MainePERS may draw when internal audit needs arise. One of the Contractors will be asked to assist MainePERS with updating its internal audit risk assessment. MainePERS will make key staff available to assist with the risk assessment and will use the updated risk assessment to prioritize and schedule audit work. The Contractor who assists with the risk assessment is eligible for other internal audit assignments.

The nature and scope of each audit will vary and may include operational, compliance, financial, information technology, security, and forensic auditing. At the conclusion of each audit, the assigned Contractor will provide a written report that will include any findings, recommendations for improvement, and management's written response. The Contractor may be engaged to present the results of an audit to the Finance and Audit Committee of the Board of Trustees and/or management, as appropriate.

The accounting and finance department will be responsible for assisting and supporting the audits, under the general direction of the Director of Finance. The Director of Finance, in coordination with the Chief Financial Officer, will determine the areas to be audited and the selection of the Contractor for each audit from the list of qualified providers. Selected contractors will be contacted at the time an audit need arises to determine interest, qualifications, availability, scope, and pricing for each project.

Audits will be performed in accordance with generally accepted auditing standards (GAAS) as set forth by the American Institute of Certified Public Accountants (AICPA) and the International Standards for the Professional Practice of Internal Audits (IIA).

Attachment B

INTERNAL AUDIT SERVICES AGREEMENT

THIS INTERNAL AUDIT SERVICES AGREEMENT ("Agreement") is made this [__] day of [_____] 2027, by and between the MAINE PUBLIC EMPLOYEES RETIREMENT SYSTEM ("MainePERS") and _____ (the "Contractor").

NOW, THEREFORE, MainePERS and the Contractor hereby agree as follows:

Section 1 SERVICES OF THE CONTRACTOR

1.1 Scope of Services. The Contractor shall furnish services as requested by MainePERS and as set forth in the Request for Proposals, Number 2026-006, Internal Audit Service, ("RFP") and the Contractor's proposal in response to the RFP, which are incorporated herein by reference and portions of which are attached hereto as Exhibits 1 and 2, respectively. To the extent that there is a conflict among the body of this Agreement and the exhibits, the body of this Agreement shall take priority.

1.2 Compliance with Law. The Contractor warrants and represents that it will comply with all governmental ordinances, laws and regulations. This Agreement shall be governed in all respects by the laws, statutes and regulations of the United States of America and the State of Maine. Any judicial proceeding brought by one party against the other party shall be brought in the courts of the State of Maine.

1.3 Licenses, Permits, and Fees. The Contractor shall obtain, at its sole cost and expense, such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement.

1.4 Insurance. The Contractor shall keep in force insurance as specified in the RFP. Prior to the execution of this Agreement, and subsequently at the request of MainePERS, the Contractor shall furnish MainePERS with written or photocopied verification of the existence of such insurance.

Section 2 COMPENSATION

2.1 Contract Pricing. [To be filled in.]

2.2 Method of Payment. [Payment terms to be filled in.] Invoices and all other billing communications should be directed to:

Maine Public Employees Retirement System
Accounts Payable
P.O. Box 349
Augusta, ME 04332-0349
accounting@mainepers.org
(207) 512-3117

2.3 Independent Contractor. In the performance of this Agreement, the parties hereto agree that the Contractor, and any agents and employees of the Contractor, shall act in the capacity of an independent contractor and not as officers or employees or agents of MainePERS.

Section 3 COORDINATION OF WORK

3.1 Agreement Administrator. [Relevant Senior Manager] hereby is designated to be the MainePERS Agreement Administrator during the term of this Agreement ("Agreement Administrator"). MainePERS shall have the right to designate another Agreement Administrator upon written notice to the Contractor. All correspondence and related submission from the Contractor shall be submitted to:

Jennifer Lidback, Director of Finance
Maine Public Employees Retirement System
P.O. Box 349
Augusta, ME 04332-0349

3.2 Amendments. This Agreement may be modified, amended, changed, added to or subtracted from by the mutual consent of the parties hereto, if such amendment or change is in written form and executed with the same formalities as this Agreement and attached to the original Agreement to maintain continuity.

3.3 Assignment. The Contractor shall not assign or subcontract the whole or any part of this Agreement without the prior written consent of MainePERS, and any attempt to so assign or subcontract shall be invalid. No assignment shall relieve the Contractor of its obligations hereunder. This Agreement will be binding upon the Contractor's successors and permitted assignees.

Section 4 TERM

4.1 Term. Unless earlier terminated by MainePERS in accordance with subsection 4.2 below, the term for this Contract shall begin on February 1 2027, and shall continue through January 31 2032, except that subsections 5.5, 5.8, 5.9, and 5.10 below shall survive.

4.2 Termination. MainePERS may terminate this agreement for any reason by giving the Contractor at least 30-days written notice of termination.

Section 5 MISCELLANEOUS PROVISIONS

5.1 Conflicts of Interest. The Contractor shall not engage any Trustee or employee of MainePERS in a position that would constitute a violation of 17 M.R.S. § 3104.

5.2 Background Checks. The Contractor shall perform a criminal background check on all of its employees who perform work on MainePERS' property. The Contractor's employees performing work on MainePERS' property must not have been convicted of a felony or any crime involving theft. A list of employees authorized to work on MainePERS' property and the results of their background checks shall be provided to MainePERS by the Contractor upon request.

5.3 ID Badges. While on MainePERS' property, all employees of the Contractor shall wear on their person an ID badge or wear a uniform containing the Contractor's business name.

5.4 Unauthorized Persons. Unless specifically authorized by the Agreement Administrator, under no circumstance shall another person or persons accompany the Contractor or the Contractor's employees onto MainePERS' property while the Contractor is conducting work under this contract.

5.5 Confidential Information/Security. Confidentiality of MainePERS information is required. All materials and documents provided by MainePERS, employers or participants in the plans administered by MainePERS, or MainePERS' vendors, or located in MainePERS buildings, shall constitute confidential information. The Contractor shall maintain confidentiality in accordance with industry standards and State and federal law. Neither the Contractor nor its employees will disclose, release or communicate any confidential information to any third person, individual, organization or entity without specific authorization by MainePERS. Any violation or breach of this provision will constitute grounds for immediate termination of the Agreement and shall entitle MainePERS to all remedies available in law or equity.

5.6 Solicitors. The Contractor warrants that it has not employed or contracted with any company or person, other than for assistance with the normal study and preparation of a proposal, to solicit or secure this Agreement and that it has not paid, or agreed to pay, any company or person, other than a bona fide employee working solely for the Contractor, any fee, commission, percentage, brokerage fee, gift, or any other consideration, contingent upon, or resulting from the award for making this Agreement. For breach or violation of this warranty, MainePERS shall have the right to annul this Agreement without liability or, in its discretion to otherwise recover the full amount of such fee, commission, percentage, brokerage fee, gift, or contingent fee.

5.7 Non-Discrimination in Employment: MainePERS' contracts for services are subject to statutory conditions related to non-discrimination in employment, 5 M.R.S. § 784. The Contractor has read and agrees to these conditions.

5.8 Access to Records. The Contractor shall maintain all books, documents, payrolls, papers, accounting records and other evidence pertaining to this Agreement for a period of seven (7) years following termination of this Agreement. The Contractor shall allow inspection of pertinent documents by MainePERS or its authorized representatives at the Contractor's office upon reasonable notice and shall furnish copies of the documents if requested.

5.9 MainePERS Held Harmless. The Contractor will indemnify, defend, and save harmless MainePERS, its Trustees, employees, and agents from any and all claims, costs, expenses, injuries, liabilities, losses and damages of every kind and description resulting from or arising out of the performance of this Agreement by the Contractor, its employees, agents, or subcontractors. This indemnification does not extend to a claim that results solely and directly from (i) MainePERS' negligence or unlawful act, or (ii) action by the Contractor taken in reasonable reliance upon an instruction or direction given by an authorized person acting on behalf of MainePERS in accordance with this Agreement. Nothing in this Agreement shall be construed as a waiver of the privileges or immunities of MainePERS, its Board of Trustees, or its employees.

5.10 Notice of Claims. The Contractor shall give the Agreement Administrator immediate notice in writing of any legal action or suit filed related in any way to this Agreement or which may affect the performance of the Contractor under this Agreement.

5.11 Severability. The invalidity or unenforceability of any particular provision or part thereof of this Agreement shall not affect the remainder of said provisions, and this Agreement shall be construed in all respects as if such invalid or unenforceable provision or part thereof had been omitted.

5.12 Force Majeure. The performance of an obligation by a party under this Agreement shall be excused in the event that performance of that obligation by that party is prevented by an act of God, act of war, riot, fire, explosion, flood or other catastrophe, sabotage, severe shortage of fuel, power or raw materials, change in law, court order, national defense requirement, or strike or labor dispute, provided that any such event and the delay caused thereby is beyond the control of, and could not reasonably be avoided by, that party. In the event of the Contractor's non-performance caused by any of the foregoing reasons, MainePERS may, at its discretion, extend the time period for performance of the obligation excused under this section by the period of the excused delay together with a reasonable period to reinstate compliance with the terms of this Agreement.

5.13 Vendor Requirements. The Contractor will comply with requests for Contractor's financial statements, business continuity plans, information security plans, policies and reports, and requests consistent with MainePERS' Vendor Security Requirements, which are attached hereto as Exhibit 3 and incorporated herein by reference.

5.14 Artificial Intelligence. The Contractor may use artificial intelligence technology to provide services under the Agreement only as approved in writing by MainePERS.

5.15 Web Site Accessibility and ADA Compliance. Information submitted or exchanged by the Contractor with MainePERS that is intended to be posted on MainePERS website, including documents, notices, reports, communications, and other required materials, shall be provided in a manner consistent and compliant with the accessibility requirements of the Americans with Disabilities Act of 1990, as amended, and applicable federal and state accessibility standards. Accessible formats, include, but are not limited to, formats compatible with screen-reading technology, alternative text for non-text content, and other reasonable accommodations necessary to ensure effective communication is readily available. This information provided by the Contractor shall conform to generally accepted accessibility standards under Web Content Accessibility Guidelines ("WCAG") 2.1 Level AA as specified in 28 CFR § 35.200 (2025), or any successor standards adopted by MainePERS. The Contractor shall promptly cooperate with MainePERS to address and remediate any accessibility deficiencies identified by MainePERS, at no additional cost, and shall ensure ongoing compliance throughout the term of this Agreement.

5.16 Entire Agreement. This document contains the entire Agreement of the parties, and neither party shall be bound by any statement or representation not contained herein. No waiver shall be deemed to have been made by any of the parties unless expressed in writing and signed by the waiving party. The parties expressly agree that they shall not assert in any action relating to the Agreement that any implied waiver occurred between the parties which is not expressed in writing. The failure of any party to insist in any one or more instances upon strict performance of any of the terms or provisions of the Agreement, or to exercise an option or election under the Agreement, shall not be construed as a waiver or relinquishment for the future of such terms, provisions, option or election, but the same shall continue in full force and effect, and no waiver by any party of any one or more of its rights or remedies under the Agreement shall be deemed to be a waiver of any prior or subsequent rights or remedy under the Agreement or at law.

IN WITNESS WHEREOF, MainePERS and the Contractor, by their representatives duly authorized, have entered into this Agreement as of the date first written above.

Maine Public Employees Retirement System	Company Name
By: TO BE FILLED IN LATER	By: TO BE FILLED IN LATER
Name:	Name:
Title:	Title:

EXHIBIT 1
Request for Proposals, Number 2026-006

EXHIBIT 2

Contractor's proposal in response to the RFP

EXHIBIT 3

MainePERS Vendor Security Requirements

The Contractor shall cooperate with MainePERS in protecting the confidentiality, integrity, and availability of MainePERS' information and security of assets by:

- providing a copy of the Contractor's SOC Type 2 or SOC for Cybersecurity report to MainePERS upon request or, if a SOC report is not available, providing copies of information security policies (including Contractor's business continuity plan used by the Contractor upon request;
- providing Contractor's current Service Level Agreement and Service Level Agreement performance metrics upon request;
- providing a copy of Contractor's data destruction policy;
- participating in an annual vendor due diligence process by providing information reasonably requested by MainePERS within 10 business days;
- upon terminating for cause any person performing work under this Agreement, immediately removing access to the MainePERS' environment and notifying MainePERS as soon as reasonably possible, not to exceed 24 hours;
- signing-off in January of each year on all of the Contractor's user accounts active in any MainePERS system or database;
- notifying MainePERS within 24 hours of becoming aware of a suspected data breach, virus outbreak, or other compromise of the Contractor's network, computers, or servers that have access to MainePERS' data or databases;
- maintaining anti-virus software at the current production version with signatures refreshed on a daily basis;
- installing critical and high severity security patches on the Contractor's computers and servers within one month after patch becoming available and providing documented compensation controls for any systems that are unable to be patched;
- complying with the following remote access network standards established by MainePERS:
    - Use only devices and equipment owned by the Contractor
    - Access only through Citrix using RSA Security Tokens
    - Use Wi-Fi only if non-public and secured by WPA2 with AES encryption for data
    - Require separate user accounts for each individual working on the Contractor's behalf, using complex passwords with 90-day aging
- transferring files only with advance written authorization and only using AES 256-bit encryption;
- using AES 256-bit encryption for any email containing MainePERS data;

- prohibiting any person other than an employee of the Contractor from performing work under this Agreement or accessing MainePERS' data or databases without the consent of MainePERS;
- permitting access to MainePERS' data and databases only to those individuals who have a need for access to perform work under this Agreement, maintaining audit records for each such access that identify the individual and time and date of access, and providing the audit records to MainePERS upon request;
- performing all duties and tasks in accordance with an established industry information security standard, preferably the NIST Cybersecurity Framework;
- participating in business continuity testing, disaster recovery testing, or incident response testing upon request by MainePERS;
- complying with MainePERS change management policies and processes as communicated by MainePERS;
- accessing MainePERS' information systems and data only as necessary to perform services under this Agreement;
- physically storing MainePERS' data only within the United States;
- ensuring the vendor's third-party partners are performing all duties and tasks in accordance with an established industry information security standard, preferably the NIST Cybersecurity Framework;
- developing any web-based applications only using the Open Web Application Security Project (OWASP) design standards; and
- upon termination of the Agreement, returning to MainePERS or destroying all MainePERS' data.

Attachment C
MainePERS Internal Audit Services Bidder Questionnaire

In addition to providing detailed information about your company, its experience, expertise and qualifications, and providing any other information required by this RFP or that you believe we should know in evaluating your proposal, please answer the following questions:

1. Describe your qualifications, including experience with providing internal audit services to governmental entities and financial institutions.

    a. Please provide three examples of internal audit services provided to entities of similar size and complexity to MainePERS, including recommendations made.

    b. Please provide a list of key personnel who you propose to work with at MainePERS. Include biographies outlining experience, specialty areas, certifications, tenure with your firm, and any other relevant information.

    c. Please describe the size of your internal audit practice and the length of time your firm has been providing this service.

2. Describe your approach to internal auditing.

    a. Please describe your audit methodology, including sample audit procedures performed.

    b. Please include the types of technology tools used by your internal auditors, and your approach to auditing automated systems.

3. Please provide your fee schedule including hourly rates for each level of staff who may be assigned to a project. MainePERS intends to work directly with the Contractor to establish scope and pricing for each audit project.