

# 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."

<b>Vendor Name:</b>		
<b>Vendor Business Description:</b>		
<b>Contact Name:</b>		
<b>Contact Phone:</b>		
<b>Contact Email:</b>		
<b>Address:</b>		
<b>City:</b>	<b>State:</b>	<b>Zip:</b>

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)**

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## 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	

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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	

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Cosponsorship Authorization #10-2110-16

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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