

**Coupa Software’s Response to the General Services Administration’s Request for Information for Providers of Commercial e-Commerce Portals**

**Federal Register Notice QP-2018-03; Docket Number 2018-0002; Sequence Number 12**

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This document and all associated documents are non-binding and shall be used for discussion purposes only. Nothing contained in this document, associated documents, or the RFI will be binding on either party unless incorporated in a definitive agreement signed by authorized representatives of both parties.

Any product roadmap features and delivery dates that may be mentioned in this RFI response represent current product development expectations only, and not a delivery commitment. These features may not be delivered in the indicated time frame, or at all. Customers should base their purchasing, administrative, and configuration decisions solely on functionality that is currently available.

Coupa is very focused on maintaining highly satisfied customers. Should Coupa be selected by GSA, we reserve the right to negotiate the contract in good faith such that it considers the nature of Coupa’s SaaS and subscription-based delivery model and Coupa’s Master Subscription Agreement, a copy of which can be accessed at: [www.coupa.com/master-subscription-agreement](http://www.coupa.com/master-subscription-agreement).

**Executive Summary**

Coupa is pleased to be given the opportunity to provide our responses to the General Services Administration’s Requests for Information (RFI) for Providers of Commercial e-Commerce Portals. In order to provide sufficient background information on Coupa Software and our “Value-as-a-Service” solution for Federal procurement, we are providing this Executive Summary.

Coupa is the leading on-demand provider of solutions that control and streamline purchasing and expense management for organizations large and small. Coupa’s Value-as-a-Service solution delivers an easy-to-use, fast-to-deploy and affordable solution for requisitions, expense reporting, approval management, purchase orders, sourcing, contract compliance, inventory and invoicing, with no hardware to buy or software to license. With deep domain knowledge in e-procurement, a best-in-class cloud platform, and a fast-growing community of 700+ customers doing business with more than 4 million suppliers, Coupa enables smarter spending practices that will empower Federal agencies to improve overall procurement operations, enhance business processes and save budget dollars.  
  
Ultimately, our customers will tell you that their selection of Coupa was not merely about features, functions, product roadmap, or the commercial price. First and foremost, it's about who we are as a company and what we stand for in the market. Coupa represents a disruptive paradigm shift in the way procurement (e-commerce) software is delivered, used, and adopted. This approach is fundamentally what differentiates us from our competitors. Here is how Coupa can help:

* **Visibility and control** over all non-payroll spending to drive hard spend savings
* Ability for Management to **“turn-the-dial” on spending** to manage costs.
* **Compliance –** spending controls, buying the right products or services from the right vendors
* **Engagement** – ease of use and buy-in from end users and suppliers
* **Operating efficiency** – automation to shift focus from transactional to strategic activities within Procurement, Accounts Payable and Business Units

**Analyst Reports**

Coupa remains in the “Leaders” quadrant (as per the latest report from Gartner, see Figure 1) due to its strong innovation and deep market understanding, as well as positive upgrade experience, account management and peer user group quality. Coupa is well-suited for organizations seeking an e-commerce solution with innovation and strong ease of use.

As per the Gartner report some of our key strengths include:

* Coupa had the highest reference customer score of all the Magic Quadrant vendors for innovation and for offering solutions that meet evolving customer needs in creative ways.
* Most Coupa reference customers cited the suite's ease of use as a key factor that influenced their selecting the vendor.
* Coupa had the highest reference customer satisfaction score of all the vendor surveys for solution availability, which included the length of and notice for scheduled downtime.
* Coupa had the second-highest reference customer rating for its ability to deliver at or below expected implementation and upgrade costs.

**Coupa Business Spend Management Solution**

Coupa offers a comprehensive, cloud-based Business Spend Management (BSM) platform that can significantly improve savings for Federal agencies. The core of our platform consists of procurement, invoicing and expense management modules that form our transactional engine and capture a company spend.  
  
In addition, our platform offers supporting modules to help organizations further manage their spend, including strategic sourcing, spend analysis, contract management, supplier management and inventory management. We also offer a purchasing program, Coupa Advantage, that leverages the collective buying power of Coupa customers, and provide benchmarking and insights to customers on our BSM platform through a solution we refer to as Community Intelligence. Moreover, through our Coupa Open Business Network, suppliers of all sizes can easily interact with buyers electronically, thus significantly reducing paper, improving operating efficiencies and reducing costs.  
  
Coupa’s BSM platform provides Federal agencies with real-time visibility into spending that is occurring agency-wide and enables organizations to drive adoption of the platform and capture, analyze and control this spend, achieve real measurable value and savings and directly improve their profitability:

* ***Drive Adoption.*** Our platform applies a distinctive user-centric approach that shields users from complexity and provides a mobile-enabled consumer Internet-like experience, thus enabling widespread adoption of our platform by users across the entire organization as well as suppliers.
* ***Capture.*** At the core of our platform is our transactional engine that is comprised of our procurement, invoicing and expense management modules, which collectively capture spend within an organization. Given purchase orders, invoices and expense reports flow through our platform and the data is stored centrally in a clean and organized fashion, businesses are able to observe the company-wide spending activities in real time.
* ***Analyze.*** Our spending analytics capabilities provide intuitive spend analysis dashboards and reports that deliver real-time analytical insights that help businesses identify problems and make better spending decisions. Real-time analytical insight is critical to helping identify savings opportunities and risks, as well as isolating problem areas in the spending process to target improvement efforts.
* ***Control.*** We help our customers control and streamline their spending activity, as well as realize efficiencies that result in real savings. Our platform has extensive functionality that enables managers to prevent excessive spend and reduce spend through realizing efficiencies and cost savings associated with strategic sourcing and contract compliance.
* ***Save.*** Within a short timeframe, we help our customers realize measurable value and savings by taking advantage of pre-negotiated supplier discounts, achieving contract compliance, improving process efficiencies and reducing redundant and wasteful spending, as well as enable strategic sourcing via reverse auctions in which suppliers bid down prices at which they are willing to sell their goods and services.

*Coupa’s Transactional Engine*

The core of our platform is our transactional engine, which is comprised of the following modules:

* ***Procurement.*** Our procurement module enables customers to strategically establish spend policies and approval rules to govern spending. The application provides a consumerized e-commerce shopping experience so that employees can easily and quickly find the goods and services they need to do their jobs. Our procurement module streamlines purchasing requisition and purchase order processes, allowing businesses to track and manage purchases in real time, thus reducing time and cost. Upon approval of an employee request, purchase orders are automatically sent to suppliers for fulfillment and invoicing. Benchmark data allows customers to spot process inefficiencies, while configuration ease enables businesses to effortlessly adjust business processes to meet continually changing business requirements.
* ***Invoicing.*** Our invoicing module enables customers to improve cash management through the effective management of supplier invoices via embedded dashboards and work queues that prioritize invoices with early payment discount opportunities. Customers may quickly configure invoice approval and matching rules so invoices can be routed without accounts payable team member effort and cost. Easy, no-cost means for suppliers to create electronic invoices that comply with government regulations allow businesses to eliminate paper and further reduce their invoice processing costs, all while reducing invoice payment fraud risk.
* ***Expense Management.*** Our expense management module enables customers to gain control of the expenses incurred by employees. Innovative mobile capabilities such as GPS and geo-location make it easy for travelers to create expense reports on-the-go so businesses gain real-time expense visibility. Frugal meter capabilities automatically assess the appropriateness of employee charges based on the customer’s configured business processes. Seamless connectivity to credit card providers feed charges into our expense management module for added visibility and reporting ease.

#### Supporting Modules

#### Our platform offers the following supporting modules that help Federal agencies further manage their spend:

* ***Strategic Sourcing.*** Our strategic sourcing module enables customers to find the best suppliers for the goods or services they need to run their businesses. It also offers advanced capabilities for the sourcing of complex sourcing categories such as direct raw materials and logistics. Customers easily create sourcing events containing the specifics of their business needs and invite suppliers to participate. Suppliers are able to review and bid effortlessly and without any fees to participate. Collaboration capabilities enable employees to review bids and provide feedback that is automatically compiled and scored. For the sourcing of complex categories, Coupa applies advanced mathematical optimization techniques, allowing customers to analyze price and non-price elements to find the combination of suppliers and goods and services that meet the constraints they specify.
* ***Inventory.*** Our inventory module enables customers to manage spending by effectively managing physical goods and virtual licenses. Employees searching for goods see inventory on hand balances in the search results, which eliminates redundant spending. Embedded dashboards facilitate the move of inventory from warehouse to warehouse and predict item shortages so inventory managers can easily manage goods and licenses. The application automates fulfillment and keeps inventory in sync through regular cycle counts, discrepancy reports, and asset tags.
* ***Contracts.*** Our contracts module enables customers to operationalize contracts and make them easily available for purchasing by employees across the organization. Contract compliance increases savings as employees make purchases using negotiated rates. Real-time contract enforcement and spend visibility is provided through embedded dashboards at both the contract and summary level. Full text search capabilities and automatic alerts remind employees to review contracts prior to expiration or auto-renewal dates.
* ***Supplier Management.*** Our supplier management module enables customers to collect supplier information required to manage and pay their suppliers and also provides data about potential risks associated with certain suppliers. Customers can quickly create data collection web forms using a drag and drop interface. Web forms may be tailored for country specific rules or supplier types. To make data collection easy, web forms are embedded as part of the natural business processes for procurement and invoicing. Real-time dashboards and reports show supplier data freshness and upcoming expirations. This module also enables information regarding supplier risk by leveraging the collective data of Coupa customers, credit ratings and other searches of publicly available databases.
* ***Spend Analysis.*** Our spend analysis module provides managers a large set of built-in reports and dashboards that allow users to see spending activity, find bottlenecks in workflows, analyze granular data by commodity, supplier, location and cost center, and drill-down into the spend transactions. Customers can also leverage our artificial intelligence capabilities to automate complex business spend data classification. We have created more than one hundred out-of-the-box reports covering some of the most important business metrics, such as unified spend for purchase orders, invoices or expense reports, spend trends over time, spend by commodity, supplier and contract; however, users can also create new metrics, reports and dashboards with our intuitive user interface, as well as include external data like corporate and travel expenses or integrate with third-party systems, to get a holistic view of their spend patterns.

*Coupa Open Business Network*  
Our Coupa Open Business Network instantly connects Federal agencies and suppliers providing those agencies with a platform that is accessible to suppliers of all sizes—even those typically ignored by fee-based closed networks—to drive success. Suppliers have a variety of options to connect with agencies including:

* ***Coupa Supplier Portal.*** This portal is a tool for suppliers to easily do business with our customers. The Supplier Portal lets suppliers manage content and settings on a customer-by-customer basis, including managing company information, setting up purchase order transmission preferences, creating and managing online catalogs, managing procurement orders and invoices across multiple customers and gaining visibility to the status of invoices.
* ***Coupa Supplier Actionable Notifications.*** These notifications enable suppliers to receive HTML purchaser orders and convert these purchase orders into invoices right from the procurement order e-mail, which represents the easiest way to submit electronic invoices through our platform.
* ***Direct Connection via cXML and EDI.*** Our platform supports various communication formats such as cXML or EDI for suppliers that want to automate their invoicing through a tighter integration with our platform.
* ***Direct E-mail.*** Suppliers can choose to send PDF invoices simply through e-mail.

By using our Coupa Open Business Network, agencies can become compliant with government mandates, improve operational efficiency and reduce costs by driving electronic transactions from purchase order through e-invoice and payment visibility. Our Coupa Open Business Network user interface is easy to navigate and requires little to no training for suppliers to instantly manage transactions. Agencies are able to interact with thousands of suppliers already using our Supplier Portal, onboard new suppliers in minutes, integrate directly or simply use our smart e-mail tools. Agencies can also use the Coupa Open Business Network to layer on top of their existing technology, including third-party systems such as Oracle iProcurement, SAP SRM and others. Suppliers of all sizes benefit, as they are able to join the networked economy without changing their technology or spending money on transaction fees.

*Coupa Advantage*  
Our Coupa Advantage program offers customers the opportunity to leverage pre-negotiated discounts from select suppliers in several business categories such as office supplies, branded promotional products, background checks, employee perquisites and more. The program leverages the collective buying power of Coupa customers to offer potential savings opportunities.

*Coupa Community Intelligence*  
Our Community Intelligence capability, which extends across our BSM platform, provides information to Coupa customers by applying intelligent frameworks to the structured, normalized data collected from the business spend transactions that have occurred on the Coupa platform. Participating customers are able to contribute to and benefit from Community Intelligence, with use cases extending from supplier insights which helps companies evaluate the risk levels of suppliers, to operational insights which helps businesses measure their own performance on key operational metrics against other Coupa customers.

**Benefits of Coupa’s Business Spend Management Solution**

*Key Benefits to GSA and the Federal Government:*

* Rapid time to value through fast deployment cycles and low cost of ownership of cloud-based model.
* Opportunity to achieve significant and sustainable savings that can translate into improved operational efficiency.
* High employee adoption of our easy-to-use BSM platform, which enables better visibility into spend.
* Strong supplier adoption as suppliers are motivated to join our network due to ease of enablement, flexibility and lack of supplier fees.
* Access to extensive spending data in real time, which leads to superior decision making that can result in significant cost savings.
* Ability to stay agile and adapt to changes in operating and regulatory environments with our easily configurable platform.
* Process efficiency improvements that allow businesses to free up valuable resources and staff who can be deployed effectively elsewhere in the organization.
* Enhanced compliance with governmental regulations through greater auditability, documentation and control of spending activity.

*Key Benefits to Federal Government* *Employees:*

* Intuitive and simple user experience that shields users from complexity and enables adoption of our platform with minimal training.
* Efficiency improvements as employees are more rapidly able to procure the goods and services they need to fulfill their job responsibilities.
* Mobile access from anywhere in the world from any device.
* Convenience to employees, as our platform gathers data on historical activity and leverages the insights to help populate requests and minimize data entry.

*Key Benefits to Federal Government Suppliers (Suppliers selling on commercial e-commerce portals):*

* Participating in our Coupa Open Business Network.
* Fast registration process and flexibility to interact with customers through the Coupa Supplier Portal, direct integration or simply by use of direct email.
* Elimination of manual processes and efficiency improvements through electronic invoicing and streamlined procurement and payment processes.
* Real-time visibility into invoice status, often through direct push notifications without having to log in to a portal.

**Drive Business Value Through Coupa Value-as-a-Service**

At Coupa, we pride ourselves not only on having the lowest true Total Cost of Ownership in the Spend Optimization space, but also on achieving the highest Return on Investment for our clients. For most enterprise software deployments benefits are only realized 18-24 months after go-live. Coupa differentiates itself on time to value (for which we are ranked number one in Gartner and Forrester industry studies); we will have your organization live on our platform within a few months and payback is fast. Most of our projects show a return on investment in less than 12 months.

*Total Cost of Ownership*

Coupa’s business model is only based on subscription revenue. This allows us to prioritize all of our efforts on long-term KPI driven customer success plus an innovative platform (agility, end user and supplier adoption and customer owned/ self-service) that enables success.

In addition, Coupa’s Services team is incentivized on successful go-lives and NOT conventional metrics such as Bookings, Services revenue, and Utilization rates. Coupa’s philosophy is to provide all the benefits of a supplier network without charging a network fee or imposing proprietary standards on suppliers, like other vendors do.  
  
Coupa offers the lowest and most predictable TCO, based on the following:

* Business owned configuration vs. IT led customization
* No supplier fees
* Reduced training and supplier enablement efforts
* TCO not dependent on spend volume
* Product upgrades included (3 times per year)
* 99.99% average uptime with no infrastructure purchase required
* 100% mobile capabilities with no software installation required

*Return on Investment*

Coupa brings accountability and partnership to savings goals by defining clear success metrics that align with your KPIs, tracking progress and actively managing toward those goals. Through using Coupa, Federal agencies will realize benefits through improved spend under management, reduced budget overspends, increased early payment discount savings, reduced overpayment to suppliers and contract leakage, lower PO processing costs, lower invoice processing costs, etc.  
  
On average, our customers reduce maverick (unauthorized) spending by 33%, lower average order costs by 25%, reduce cycle times (time to get goods) by 30% and reduce time spent on purchasing by 20%.  The real-time statistics we collect for our benchmarking data shows the average Coupa client reduces its non-payroll cost base by 11.1%! Because our solution deploys very quickly, our ROI is realized in weeks versus years.

**Why Coupa? Five Reasons Why We’re Different**

At Coupa we have a higher purpose. From our own operations to what we offer clients, we are focused on one thing: business value. It’s more than how much you paid for something or what a new solution saved. Value is the quantifiable, measurable improvement that a solution or process delivers. It’s explicit, but it isn’t a singular achievement or a moment in time.

Value is ultimately a common vision of what success looks like for your company over the long term. It’s visibility. It’s savings. It’s user adoption. It’s compliance. It’s all of that combined. It’s what we define, together, as our shared objective. Value is what we measure, what we strive for. With Coupa, Software-as-a-Service is a means to an end. What you’re really getting with us is Value as a Service.

**C** - ompehensive **O** - pen

**U** - ser-Centric

**P** - rescriptive

**A** - ccelerated

**Comprehensive: Start Anywhere. Go Everywhere.**

We take a **comprehensive** approach to spend management with a unified platform that allows you to see all your spend in one place—from purchasing to invoicing to expenses.

Coupa transforms spend management by bringing everything together on a single, easy-to-use cloud platform. Unify spend processes across different categories, departments, regions, and systems and connect every buyer and supplier to a single source. When you can actually see and understand where your money is going, it’s easier to optimize spend at micro and macro levels.

Coupa was born in the cloud and every module looks and feels the same, so you only have to learn how to use it once. Drive value with power applications for everything from spend analysis to strategic sourcing, and as we continue to build onto the Coupa platform your value will grow too. Plus, you can easily scale and expand to meet your needs today, tomorrow, and into the future. That’s the real value of a comprehensive approach to spend management.

**Open: Trust, Transparency, and Trade.**

We believe in being **open**, always. We build trust through transparency, support genuine partnerships, and welcome new ideas. From strengthening relationships with suppliers to integrating with leading technologies, Coupa opens the door to a world of opportunities.

At Coupa we build trust through transparency—it’s how we ensure customer success. Our connected platform fosters open relationships and genuine partnerships by giving suppliers a fee-free network with instant access to payment information. We work closely with our partners to extend spend management value even further, and we’re proud to integrate with market-leading technology vendors who share our vision. At Coupa we’re always open to new ideas—in fact, many of our best ideas have come from our customers. We believe being open and honest is the best way to do business.

**User-Centric: The Best UI is No UI.**

Coupa makes it easy for every **user** in your organization to get things done fast. From capturing expenses digitally to flipping invoices via email, the Coupa platform works harder so your users don’t have to. That’s why we have the highest adoption rates in the industry.

Coupa makes it easy for users at every level to get things done, often without ever having to login. Get employees, suppliers, administrators, and approvers all on board quickly with little to no training. We have the highest user adoption rates in the industry, which means you can get more of your spend under management fast. When we say the best UI is no UI, we mean users should only have to interact if they’re adding value to a transaction—otherwise let Coupa do the work. With actionable email, SMS, and push notifications driving the shortest transaction cycle times, it’s no wonder Coupa is becoming the gold standard for usability.

**Prescriptive: Community-Powered Intelligence.**

We’re helping our customers get smarter about how they manage spend by offering **prescriptive** recommendations, from savings opportunities to supplier insights. We leverage collective learning across the entire Coupa platform to increase intelligence for everyone.

Coupa harnesses the power of collective insight to help every customer get smarter about spend. First, Coupa makes recommendations on a transactional level—we call this application intelligence and every module has it. Because Coupa is a connected platform, the more modules you have the more value you get out of that intelligence—what we call suite synergy intelligence. And finally we take the collective intelligence gathered across our entire platform—hundreds of billions of dollars of spend each year—and use that to continually improve our recommendations. That’s community powered intelligence. As Coupa continues to grow, so will our collective intelligence, and value.

**Accelerated: More Value, Faster.**

Coupa **accelerates** your business by increasing efficiency end-to-end. Get all your spend under management with faster deployment. Optimize spend with speedy transactions. Make quick decisions with information at your fingertips. Achieve greater agility for faster time to value.

It’s pretty simple really: Keep up with the speed of business or get left behind. Coupa works fast and makes it easy for you to manage change every day. Our cloud platform deploys quickly, integrates with existing systems, and is so easy to use your employees can get up and running with little to no training for the fastest time-to-value. Unify processes to increase end-to-end efficiency, and start saving even before you go live with Coupa sourcing events. Plus, with all your spend under a single pane you can always see everything you need to make quick business decisions. Accelerate your business and stay ahead of the pack.

We look forward to helping GSA with its initiative to support Phase II of Section 846 of the National Defense Authorization Act. We believe we can provide help and support to create a procurement environment that addresses the fundamental, operational and technical needs of Federal agencies as they expand their ability to utilize e-commerce portals to reduce costs and streamline procurement.

# Coupa Responses to RFI Questions

Please note our responses are provided in BLUE text.

# 1. Spending Trends

a. Spend Data: Over the past few months, GSA has participated in demos provided by portal providers, many of whom have expressed a willingness to share data on Government spend conducted through their platforms, i.e. purchases using government-issued purchase cards. Government spend data can be identified by looking at the first four digits of the government-issued purchase card. These four digits are: 5565 and 5568 (Mastercard); and 4486, 4614, and 4716 (Visa).

Would you be willing to share this spend data with GSA?

Coupa captures all spend data and has the ability to segregate that data according to a broad variety of qualifiers, such as the identifiers for government-issued pCards. As a cloud-based solution that operates in a multi-tenant environment, we capture the spend data for all of our customers – this is our Community Intelligence component and provides a warehouse of spend data that can be used to identify trends, provide prescriptive advice to improve spend and business processes, and guard against fraud and improper procurements. We only have the ability to report on that data anonymously. We protect the identity of our customers and those customers have the option to opt out of this warehouse of community data. We would be willing to share this spend data with GSA, but we would need to work with GSA to ensure the integrity/security of that data.

Additionally, are you willing to share reports or dashboards demonstrating your analytics capabilities? (If yes, GSA will reach out separately to coordinate these requests.)

We would absolutely be willing to share our spend visibility capabilities, including our reports, dashboards, and community intelligence analytics.

For those portal providers willing to share such information, the following categories of aggregated Government spend data from civilian agency and DoD buyers, over the last 3 years, would be particularly useful:

Please note: Coupa currently has very limited Federal government spend data due to our newness to the marketplace. However, once operational at Federal agencies we would be able to provide our Community Intelligence and spend data to GSA for any Federal customers.

i. Spend by agency:

1. Total spend broken out by agency – we have this capability and the data would be provided by Coupa

2. Number of transactions by agency – we have this capability and the data would be provided by Coupa

3. Average order size by agency - we have this capability and the data would be provided by Coupa

4. Seasonality of purchasing (i.e. only at the end of an FY or are they spread out evenly throughout the year?) - we have this capability and the data would be provided by Coupa

ii. Spend by product category:

1. Categories/subcategories comprising 80% of the annual spend through your portal - we have this capability and the data would be provided by Coupa

2. Dollar value, count of transactions, count of suppliers, proportion of small and large supplier (count and dollars) for each category/subcategory - we have this capability and the data would be provided by Coupa

3. Agencies comprising 80% of the dollar value for each category/subcategory - we have this capability and the data would be provided by Coupa

iii. Spend outside the Contiguous US (OCONUS) vs spend within the Contiguous US (CONUS) – If the spend transactions processed in Coupa have identifiers that differentiate suppliers and/or spend that occurs outside of the contiguous US, then we have this capability and the data would be provided by Coupa. Agencies would need to ensure their suppliers/providers have been properly identified in the system to facilitate this request.

iv. Spend by socioeconomic/small business designations. This capability exists within Coupa as we would have the ability to segment our Community Intelligence based upon socioeconomic and/or SMDB designations.

b. Additional considerations:

i. What taxonomy or taxonomies are used to sort products into suitable categories and subcategories, e.g. product service codes (PSCs) or North American Industry Classification System (NAICS) code? Please identify if the classification system is proprietary.

Coupa always classifies to UNSPSC (United Nations Standard Products and Services Code), and then maps this to the customer specific taxonomy of the customer – for example, NAICS codes. However, it is possible to categorize directly to the standard structures required by Federal agencies. This capability is standard and is included in Coupa. Categories and sub-categories may be applied and tracked by Coupa.

ii. What level and types of transactional data are made available to buyers?

Coupa supports sending/receiving "transactional data" and making transactional data available for real-time display, dashboard reporting, and defined reports (both on-line and off-line reporting). Access to data may be controlled based upon the security rules established by the customers’ requirements. Examples include data related to requisitions, purchase orders, invoices, approved invoices (OK to pay), and receipts. In addition to providing transactional data available for display/reporting, Coupa makes available this same data for integration to other systems. Common transactional data integrations include:

* Purchase Orders from Coupa to ERP System - The most common integration.  Once Purchase Orders are created and approved in Coupa, they are extracted and sent to the customer's ERP system.  Depending on the customer's requirements for PO Revisions/Changes/Cancellations, this may be multiple processes.
* Invoices from Coupa to ERP Systems - Invoices are created in Coupa via the Coupa Supplier Network, cXML, or Manual Entry.  Once approved, they are sent to the customer's ERP system, matched, and then paid.
* Invoices from ERP Systems to Coupa - Invoices are created in the customer's system and then sent to Coupa for reporting, budgets, etc.
* Payments from ERP System to Coupa - Payments are applied to invoices that exist in Coupa. Single checks can be split across multiple invoices and multiple checks can be applied to a single invoice.
* Receipts from Coupa to ERP - Receipts are created in Coupa and sent to the customer's ERP system for matching or reporting/financial close reasons.  Unlike some systems, each receipt in Coupa is for a single line.  If multiple lines are received at the same time, each line gets its own inventory transaction record in Coupa.

iii. What functionalities and/or capabilities are available to buyers to analyze transactional data? Do you offer your commercial buyers the opportunity to develop customized data analytics capabilities?

Coupa AI Classification uses Artificial Intelligence and machine learning to compare transaction data and cut through spend data quality issues to normalize and enrich data-all the way into tail spend so that it can be analyzed. Coupa presents this “clean” and normalized data in a variety of display formats. Users/buyers are free to create individualized dashboard (real-time, on-line) views of transactional data, with the ability to drill down to view data from a summary level down to individual transactions. Users/buyers may also utilize the standard on-line (also available for printing) reports or they may easily create unique or tailored reports using any of the transactional data (and data elements) stored in Coupa. Basically, users/buyers (depending upon security access defined by the customer) have the ability to access any transactional data and present it in a defined or customized format.

iv. How do the pricing algorithm respond to sudden increases in demand?

Coupa uses a recursive neural network algorithm that has learned (i.e.; machine learning) from the $1.3T USD of spend already classified within Coupa. It is this AI engine that performs the classification in a fast and accurate manner.

v. The Government seeks to increase small business participation through this initiative. How might your platform aid in increasing small business participation? What capabilities does your system have (or what would you need from GSA or other agencies) to track agency spending from the various socio-economic categories of small business (small disadvantaged business, women-owned small business, service disabled veteran-owned small business, HUBZone small business) so that Government agencies can receive credit toward their agency socio-economic goals when they buy through your portal? Please explain.

Coupa will provide the Federal government the capability to increase small business participation by the identification and prioritization of these businesses. Federal government agencies may identify/categorize suppliers/vendors by any of the socio-economic identifiers in use today, including minority owned, women owned, disadvantaged businesses, veteran owned and HUBZone businesses – there are no limitations in Coupa regarding the number of categories that may be used.

When a supplier/vendor is enabled in the system (or integrated from another system such as the host ERP), the appropriate socio-economic identifier is tagged to that suppler/vendor (please note, this may be done manually through the supplier enablement process, or the supplier/vendor may already be appropriately tagged). Depending upon the requirements or direction of the agency/department, when a procurement process is initiated (i.e.; market research, sourcing, purchase), the available suppliers would be presented based upon the socio-economic identifiers. The agency may establish rules to present these suppliers in a hierarchical manner – for example veteran-owned businesses may be presented first, followed by minority businesses, disadvantaged businesses, etc. Coupa shows (displays) these vendors with easily identifiable visual aids so the user/buyer can distinguish between the various socio-economic categories. Users/buyers may set up the system to display these vendors/suppliers in a side-by-side view, scrolling view (hierarchical) or by some other qualifier such as name, location, vendor rating, etc.

All transactions that occur using these suppliers may be easily tracked and reported by their socio-economic classification. Federal agencies would be able to see activity with these suppliers in a real-time manner or through defined (or user-defined) reports. Historical views of spend by supplier are also available within Coupa which would assist agencies in seeing progress towards their socio-economic spending goals.

vi. The Government seeks to promote compliance with mandatory sources (e.g. Ability One Program, Federal Prison Industries). What capabilities does your system have to track agency spending from these sources and limit ‘‘leakage’’ where purchases are made from nonmandatory sources?

Please see our response to Item v above. The same tagging used for socio-economic identification may also be used to identify suppliers who are part of the Ability One Program or the Federal Prison Industries. Users/buyers may establish the priority of use of these suppliers and then would be able to view real-time or through reporting the use and amount of spend with these sources.

In addition, agencies are able to set up “watchers” in the workflow approval process to help guard against purchases attempted from non-mandatory sources. The system may also be used to create real-time notices to managers/executives when purchases are attempted outside of the mandatory sources. The agency/department would have the ability to establish this review/notification process based upon qualifiers defined by the agency, such as commodity code, price point, vendor tagging, etc.

vii. How are you shipping items to base locations/overseas? What are your labelling requirements/standards that you follow?

Coupa does not directly ship items that are procured through our system. Shipping is the responsibility of the vendor/supplier. When entering information about the purchase, the user will enter the appropriate “ship to” information (or the information would have been previously stored). Coupa operates in more than 20 languages and has been implemented in more than 100 countries, so there should be no issues with foreign ship to addresses or locations. Regarding pulling products/goods from inventory and shipping these items to base locations and/or overseas, the system will capture the appropriate information required to ensure proper delivery.

# 2. Data Standards

a. How do you use third party supplier data?

Information about third party suppliers is not typically stored in Coupa unless those suppliers have been enabled in our system. Vendors/suppliers who rely upon third party suppliers may be identified in our system and those third party organizations would then be associated with the primary suppliers. Coupa provides a solution called Risk Aware that may be used to track and report on vendors/suppliers who use third party suppliers. The system would then be able to track and report on activity/spend with those organizations.

We utilize the same security and data protection standards and protocols for user information, primary suppliers, and third party suppliers.

b. What are your data protection/security practices for safeguarding both user and third-party supplier data?

Coupa has implemented a variety of security features that ensure complete protection of customer data.

1. **Data residency**

* Customer data is not transferred outside primary hosting location (US, Europe, Singapore or Australia)

1. **Physical Security**

* We use Amazon Web Services (AWS) as our cloud hosting provider. AWS – and their US-based provider AWS GovCloud – are FedRAMP certified and use a variety of methods for physical security. We have included an attachment that describes the security procures and protocols in use AWS. This document is labelled: AWS\_Security\_Whiteparer.pdf

1. **Transport Security**

* All communications use high-grade AES-256 256-bit encryption
* All sessions are secure (https), and require authentication (login/password)
* Web servers utilize TLS encryption for web communication sessions
* Secure File Transfer Protocol (SFTP) encryption for integration files received/transmitted

1. **Perimeter and Server Security**

* State of the art firewalls at hypervisor, kernel and application levels
* Intrusion detection systems across all servers
* Vulnerability threat assessments done via third party firms
* Security monitoring applications and manual reviews are utilized to identify threats and any security breaches.
* Assessments are performed on a period basis to ensure vulnerabilities are identified and mitigated.

1. **Application Security**

* Sessions stored in cookies that do not encode customer identifiable information
* Reliability and Backup
* AWS provides physical redundancy (network and power)
* Coupa has configuration redundancy for each component of its infrastructure

1. **Disaster Recovery**

* Servers run in “active-active” mode across data centers within region with “warm failover” to another region

1. **Data Security**

* Amazon Elastic Block Store (Amazon EBS) and Simple Storage Service (S3) provide data at rest encryption and is included in the AWS scope for SOC1 and SOC2 certifications.
* Data at Rest encryption using S3 SSE, EBS Encryption, and LUKS on ephemeral volumes.
* For HIPAA customers, PHI is encrypted at field level using a customer specific AES-256 key.
* File attachments stored on S3 are encrypted by PGP key in addition to SSE.
* Each customer gets a separate database schema (tables) with a customer specific password.

1. **Access Controls**

* AWS is responsible for restricting physical access to data center facilities, backup media and other system components including firewalls, routers, and servers.  On-site access is referenced in the AWS white paper.
* Systems are configured to authenticate users with a unique predefined user accounts & enforces minimum password requirements.
* Access controls are reviewed quarterly to ensure appropriate role based access and segregation of duties.
* Systems are configured to log and alert personnel for account logon events, privilege account events and system events

For more details, please see our attachment labelled: Coupa Technical Whitepaper.pdf

c. What are your standard terms and conditions with third-party suppliers and buyers regarding your use and their use of spend data?

Our standard Master Subscription Agreement specifies the terms and conditions related to the use of customer, supplier and third party data. The following is a clause in that agreement describing the use of data: “As between Customer and Coupa, Customer exclusively owns all rights, title and interest in and to all Customer Data. Customer shall have sole responsibility for the accuracy, quality, integrity, legality, reliability, appropriateness, and intellectual property ownership of and right to use all Customer Data, and hereby warrants that that it has and will have all rights and consents necessary to allow Coupa to use all such data as contemplated by this Agreement.”

A complete view of our standard terms and conditions may be found by accessing our standard Master Subscription Agreement at <https://www.coupa.com/master-subscription-agreement/>

d. Is your platform capable of integrating information from the System for Award Management ([www.sam.gov](http://www.sam.gov)) to identify if a seller is a small business in accordance with FAR 19.303? If not, explain why. Would you be interested in testing capabilities with beta sam.gov?

Coupa is not currently integrated with the System for Award Management (sam.gov). Our solution is provided with APIs to allow for the ease of integration with solutions such as sam.gov. We would absolutely be interested in establishing this link.

# 3. User Experience and Program Design

a. GSA seeks to ensure that the government purchase card buyers have a simple and clear user experience when selecting products across multiple providers. How would you suggest we accomplish this? For example, how could GSA get to a single log-on across portals? Are there commercial analogs that achieve this purpose? If so, what, if any, drawbacks or obstacles do those models present?

One of Coupa's key strengths is the ease of use of our application. Our cloud-based solution is designed to present an “at home” buying experience and we make the procurement process as easy as possible for buyers. Buyers will be able to select products or services from basically an unlimited number of vendors/suppliers. Agencies will be able to establish how buyers procure goods/services from preferred suppliers, other suppliers under contract, and other Federal government contracts and/or portals. Buyers will also have the option to review available products and services from other e-commerce portals with the option to “punch out” to other on-line suppliers or markets. All of this is accomplished through a single sign-on, and even if buyers elect to punch out to other on-line portals, they never leave Coupa and all of the compliance checks, budget checks, and workflow/approval processes remain in place. This is accomplished using Coupa’s Open Buy capabilities.

Given that Coupa created a direct linkage to Amazon Business Services through our Open Buy component where this capability has now been in a production environment with hundreds of millions of dollars of purchases experienced by a large number of our customers, we see no drawbacks or obstacles to making this work for the Federal government.

Regarding the technical details for our single sign-on capabilities, more details may be found at <http://integrate.coupa.com/home/single-sign-on>

b. How are your supplier relationships structured? What fees are charged? What do the onboarding and offboarding processes look like?

The Coupa Open Business Network instantly connects customers and suppliers without any setup or transaction fees, providing businesses with a model that is accessible to suppliers of all sizes – even those typically ignored by fee-based closed networks – to drive customer success.

According to the VP of Procurement at Avalon Healthcare: “We chose the Coupa platform specifically over Ariba and others like Ariba due to the supplier pay model ….. Our company needed a solution that was all-inclusive and would incentivize the company to use it as much as possible without the supplier or ourselves incurring any additional fees."

Coupa comes with a pre-configured process flow for on boarding suppliers. It includes:

* Supplier receiving notification email with associated URL for creating/updating profile
* Supplier access link, edit and submit profile for review
* Supplier is kept informed of approval status of supplier profile
* Supplier can be asked to fill out specific fields or include specific attachments, forms, or certificates
* Supplier can get online and email notifications for information that requires updates

c. As a portal provider, do you have the capability to participate in a ‘punchout’ type of ecommerce experience? Please explain.

Yes, the Coupa platform has standard punchout functionality. Buyers will be able to review and procure products and services from other e-commerce providers (or other Federal marketplaces) without leaving the Coupa system. We have described this process in our response to Item 3.a above. Our Open Buy solution allows this “punch out” capability without losing the compliance checking, budget checking, and approval workflow processes of Coupa.

d. Implementation and operationalization of this program will entail the involvement of GSA, ordering agencies, portal providers, and third-party suppliers. GSA envisions its role primarily focusing on the following:

i. Negotiating the contracts with the portal providers;

GSA will be able to use Coupa’s Contract Lifecycle Management (CLM) solution to create, negotiate, review, approve, and sign contracts with portal providers. The advantage of using Coupa’s CLM solution is the fact that this is part of our comprehensive Business Spend Management solution, and those contracts will then become an integral part of any procurements related to them – with no need to establish integration points, linkages, etc.

Coupa’s CLM allows for both internal and external parties to be invited to and participate in the contract collaboration. The solution records a full contract history and tracks redline versioning to record all modification to the contract from the template or uploaded document. Users can compare from version to version or across multiple versions. Contract history will include parties invited, edits and comments, approvals, signatures and contract completion.

ii. working with stakeholders to shape the scope of product offerings, based on suitability, potential challenges in managing supply chain risk, and other considerations;

We built Coupa to help organizations manage spend better. We leverage the combined power of our cloud spend management platform and our global community to help every customer make accelerated, data-driven decisions using prescriptive community intelligence. With advanced artificial intelligence (AI), deep machine learning, and over $700 billion in annual spend under management to draw from, Coupa offers customers actionable advice to help reduce costs and risk, and increase savings and efficiency.

Coupa’s Perfect Fit Insights (PFI) helps customers set and reach goals by tracking and measuring key performance indicators (KPIs), and suggests ways to reach them faster. Coupa Risk Aware allows agencies to reduce supply-chain risk using real-time, actionable insights about supplier risk factors.

This combination of AI, machine learning, community intelligence, Perfect Fit Insights, and Risk Aware creates an environment where Federal agencies will be able to see spending trends real-time, more effectively manage their supply chain, and more importantly ensure that agencies are buying the right products/services from the right suppliers. Reports that provide this information across all Federal agencies using Coupa may be made available to GSA so it may become an integral part of the process.

iii. working with agencies on effective use of protocols and safeguards to refine access to product offerings;

GSA will be able to review spending trends and will have full visibility into the amount of spend or spending patterns with all vendors/suppliers. GSA will then be able to use this information to ensure Federal mandates, directives, and compliance requirements are being met. GSA would then be able to work with agencies to help establish the protocols and safeguards required to refine the procurement business processes, suppliers are utilized as required/expected, and the right products/services are acquired in a timely and accurate manner.

iv. collecting, vetting and sharing data; and,

As previously described, GSA will have the ability to have access to all procurement data (based upon established security/access) and will be able to analyze, report, and/or share as required.

v. developing guidance in consultation with OMB and training federal agencies in proper competitive procedures through the portal; and,

Coupa is known for its intuitive user interface, ease of use, and ease of data access which will help facilitate GSA’s need to assist Federal agencies to establish proper competitive procedures and to help ensure compliance with regulations, mandates, etc. when using this new on-line e-commerce portal.

The ability to review spend and spending trends in a real-time manner will assist GSA with ensuring agencies are procuring goods/services from the right suppliers. GSA may also use our Community Forum to communicate to all of Coupa’s Federal customers – somewhat like a broadcast message to all Coupa Federal users. This tool can assist GSA with delivering information about suppliers, changes to processes, new requirements, etc.

vi. potentially validating the suppliers as responsible business partners. Do you agree with this description of roles and responsibilities for GSA in optimizing the user experience and the overall success of the program? Are there key items missing?

Coupa’s Risk Aware solution presents a comprehensive review of each vendor/supplier. Federal agencies will have the ability to review a broad range of publicly available information (and information captured in Coupa) about each vendor/supplier. For example, Risk Aware tracks financial, judicial, and social media information by supplier. Users will also be able to rate suppliers, similar to Yelp ratings and include that information in the suppliers profile. From this information, users (or GSA) may determine if suppliers are responsible, ethical, and valuable business partners with the Federal government.

We are in concurrence with the vision GSA has presented as their role in the use of e-commerce portals to implement Section 846. While we have the ability to provide the data and visibility into the spend of any and all Federal customers using Coupa, we must stress the fact that we protect each customer’s data integrity. We protect each customer’s privacy and utilize our Community Intelligence in an anonymous manner. GSA will still be able to gather data to identify trends, spending patterns, potential fraud and abuse, etc., but no personal information is ever shared.

e. The section 846 language stated both that all existing procurement laws applied and that GSA should strive to be consistent with commercial practice. To reconcile these objectives, in Phase I, GSA only proposed legislative changes necessary to reach program implementation, primarily around the nature of competition. For purposes of Phase II, what additional legislative changes GSA should consider proposing?

Phase II of Section 846 contains the statement “…the degree of customization that can occur without creating a Government-unique portal…”. We recommend that this language be altered to allow customization of commercial e-commerce portals as a last resort and that Federal agencies should work to adopt best commercial business practices assuming these practices do not create issues with existing laws, mandates, etc. Once the “customization door” is open, it will lead to costly solutions that will impact an agency’s ability to adopt to legislative changes and/or new technologies. In addition, a common solution that may be configured to address the unique needs of each agency will help improve the Federal procurement process and fine tune procurement business processes across all agencies.

Otherwise, we at Coupa are confident that we are able to meet the requirements for procurement through commercial e-commerce portals as defined in Section 846.

# 4. Cyber-Security Questions

GSA welcomes any insights that can be shared regarding how your platform addresses the following cybersecurity topics:

a. Financial data theft/fraud

Coupa’s anomaly detection system instantly notifies operations staff, 24/7, if anything unusual is detected. In addition, Coupa contracts with third party security firms and consultants to conduct routine vulnerability threat assessments including penetration tests.

b. Intellectual property theft/damage

As per our Master Subscription Agreement:

As between Coupa and Customer, all rights, title, and interest in and to all intellectual property rights in the Hosted Applications and Coupa Platform (including all derivatives, modifications and enhancements thereof) are and shall be owned exclusively by Coupa notwithstanding any other provision in this Agreement or Order Form. This Agreement is not a sale and does not convey to Customer any rights of ownership in or related to the Hosted Applications or Coupa Platform. The Coupa name, logo and product names associated with the Hosted Applications or Coupa Platform are trademarks of Coupa, and no right or license is granted to use them. All rights not expressly granted to Customer are reserved by Coupa. Coupa alone shall own all rights, title and interest in and to any suggestions, enhancement requests, feedback, or recommendations provided by Customer or any third party relating thereto.

For more details please see <https://www.coupa.com/master-subscription-agreement/>

c. Distributed Denial of Service

Coupa utilizes an IDS to analyze network events and report possible or actual network security breaches. The IDS is configured to log activity such as suspicious host activity and indication of Denial of Service (DOS) attacks.

d. Man in the Middle Attacks

N/A. Coupa uses valid certificates delivered by [godaddy.com](http://godaddy.com)

e. Compliance with Information Security Standards

Coupa certifications and compliance levels include:

* SSAE 18 Type II SOC 1 (ISAE 3402): 7 consecutive years of auditable and materially clean reports
* Type II SOC 2: Included Security & Confidentiality Trust Principles
* HIPAA Compliance
* PCI Compliance - The Payment Card Industry Data Security Standard
* QualysGuard: Network & host scanning
* Whitehat Security Sentinel: OWASP Top 10, Continuous automated scanning, Manual penetration testing
* ModSecurity: Web Application Firewall
* OSSEC: 24x7 Intrusion Detection, File Integrity Monitoring
* ISO 27001: Information security management systems
* ITAR: International Traffic in Arms Regulations (United States Government Regulations on the Export and Import of Defense Related Articles and Services)
* TUV Rheinland – Certified cloud services

Coupa partners with Amazon Web Services (AWS) to provide the hardware and infrastructure to support Coupa’s e-Procurement platform. AWS certifications and third-party attestations include:

* SOC 1/SSAE 18/ISAE 3402 (formerly SAS 70 Type II)
* SOC 2
* SOC 3
* FISMA, DIACAP, and FedRAMP
* PCI DSS Level 1
* ISO 27001
* ITAR
* FIPS 140-2

In addition, the flexibility and control that the AWS platform provides allows customers to deploy solutions that meet several industry-specific standards, including:

* HIPAA
* Cloud Security Alliance (CSA)
* Motion Picture Association of America (MPAA)

f. Data storage

There is no storage limit. There will be an agreed upon storage amount included in the contract, with a further charge for extra space.  This is something we can further discuss when we understand your storage requirements.

g. Vulnerability assessments/monitoring

Coupa contracts with third party security firms and consultants to conduct vulnerability threat assessments including penetration tests. Coupa’s anomaly detection system instantly notifies operations staff, 24/7, if anything unusual is detected.  Coupa uses WhiteHat Security Sentinel and QualysGuard services for scanning.

h. Encryption

All sensitive data is encrypted before storing in the database using AES-256. All passwords are stored as salted one-way hashes using SHA-256. Coupa encrypts all data at rest using AES256 with customer specific keys.

Coupa encrypts all communications between customers and our data center using high-grade Encryption (AES-256 bit). Access to Coupa’s on-demand applications and services is only available through secure sessions (https) and only available with an authenticated login and password. Passwords are never transmitted or stored in their original form, so they are never compromised by third parties.

i. Disaster Recovery

Coupa was architected for the cloud and has fault tolerance as a part of its design. Coupa has automated and manual failover mechanisms for disaster recovery and recovers from server level and data center level issues within minutes. Coupa is hosted across many isolated geographic regions worldwide which it can recover to in case of catastrophic outages.

j. Network monitoring

We use NewRelic for holistic performance monitoring from end user to server to application to database. ITIL and ISO27001 as well as FISMA/NIST drive our network configuration in our AWS Virtual Private Cloud hosting infrastructure.

# 5. Standard Terms and Conditions

a. General Roles and Responsibilities

i. For products sold by third parties on your portal, what, if any, responsibilities do you assume with respect to a sale?

Coupa provides a platform for a B2B e-commerce and as such assumes no responsibilities for e-commerce transactions between our customers and third party suppliers.

Shown below is an excerpt from our standard Master Subscription Agreement outlining the terms and conditions related to third party suppliers:.

**Third Party Interactions**.

1. *No Supplier Fees*. Each party agrees that it shall not charge Customer’s suppliers for the right to interact with Customer through the Coupa Platform.
2. *Supplier Interactions*. During the Subscription Term, Customer may enter into correspondence with and purchase goods and/or services from suppliers on or through the Hosted Applications. Any such activities and associated terms are solely between Customer and the applicable third party supplier. Customer agrees that Coupa shall have no liability, obligation or responsibility for any such correspondence or purchase between Customer and any such third party supplier.

For additional information regarding our contractual position related to third party supplier transactions, please see our standard Master Subscription Agreement at this link: <https://www.coupa.com/master-subscription-agreement/>

ii. For what, if any, purposes do you consider the third-party supplier selling on your portal to be your ‘‘subcontractor’’?

We do not consider third party supplier selling on our portal as our subcontractors. We use the following subcontractors:

* + - Amazon Web Services (hosting and infrastructure).
    - IndMax IT Services Private Limited (Network Operations Center. Provide infrastructure management of the technologies used to deliver the Coupa service).

Please see our response to Item 5.a.i above regarding our position on third party suppliers. For additional information regarding our contractual position related to third party supplier transactions, please see our standard Master Subscription Agreement at this link: <https://www.coupa.com/master-subscription-agreement/>

iii. What, if any, of the value-added portal services and functionalities (e.g., order tracking, payment processing) have been outsourced? Do you consider them subcontractors? If not, why not?

We use only the following subcontractors:

* + - Amazon Web Services (hosting and infrastructure).
    - IndMax IT Services Private Limited (Network Operations Center. Provide infrastructure management of the technologies used to deliver the Coupa service).

There are no other value-added portal services, processes, or functionalities that are outsourced. The Coupa solution is a comprehensive, fully integrated, and fully owned by Coupa Software and as such we have no subcontractors, third party providers, or software partners that are connected to our software solution.

iv. Other than the suppliers selling on the portal and those providing value-added portal services and functionalities, are there entities that are considered subcontractors of your business? If yes, what functions do these entities perform for your business?

As described in our response to Item 5.a.iii above, we use only the following subcontractors:

* + - Amazon Web Services (hosting and infrastructure).
    - IndMax IT Services Private Limited (Network Operations Center. Provide infrastructure management of the technologies used to deliver the Coupa service).

There are no other value-added portal services, processes, or functionalities that are outsourced. The Coupa solution is a comprehensive, fully integrated, and fully owned by Coupa Software and as such we have no subcontractors, third party providers, or software partners that are connected to our software solution.

b. Order Tracking, Delivery and Issue Resolution

i. Describe how orders and delivery are tracked.

When buyers enter new orders into the system, they are immediately available for on-line viewing for anyone in the organization with the appropriate security access. On-line viewing, and any related adjustments/changes, is available throughout the lifecycle of the procurement event (i.e.; requisitions, purchase orders, delivery/receipt, and any issues, adjustments, or attached documents). The associated workflow is also fully visible on-line. In addition, members of the procurement team (buyers, managers, approvers, etc.) also have the ability to view procurement events as part of a personalized dashboard when they first log in to the system. We also provide e-mail notifications at each step within the process for all members of the procurement event team. This e-mail notification system assists those who do not have access to Coupa so they may view all activities and status of the procurement event. The e-mails provide a dynamic view of the procurement documents – by clicking on “buttons” contained in the email, users/managers/approvers may gain access to the actual view of the requisition, order, etc. The status – delivery, receipt, etc. – is available with these emails.

In addition, suppliers on the Coupa Open Business Network can also view this data.  They can receive POs, acknowledge order receipts, create an online catalog, view purchase orders, submit electronic invoices for payment, Manage Punchout capabilities, Create electronic invoices, etc.

ii. Describe how issues are resolved (e.g., if the product doesn’t arrive in a timely manner or needs to be returned). Identify who is responsible for resolving these issues when the sale involves a third-party seller. Include information on customer/ordering official management throughout the process.

If you wish to return an item to a supplier, this can be managed through the detailed receipt page.  You can select an item and choose the "Return to Supplier". The process is then handled outside of the system after denoting it as "return to supplier".

c. Payment

i. When a buyer makes a payment for a purchase on the portal, who processes the payment?

Coupa is not used as a system of payment.  After invoices are approved, Coupa can send “OK to Pay” files to your payment system, from which payment details (such as Date, Check Number, amount and comments) can be returned to Coupa, where custom reports can be run on this data. We can report on all payment detail sent back to Coupa as desired.

Coupa is currently developing a Coupa Payments module that could be deployed for payment purposes in the future.

ii. What are the payment procedures?

Please see previous response

iii. Are payments by Electronic Funds Transfer allowed?

Please see previous response

d. To Assist GSA in Determining the Applicability of the Service Contract Act to a Portal Contract Under the Section 846 Program, Please Advise of the Type of Work Your Employees Would Perform Under Such a Contract.

Coupa software is provided as a software-as-a-service (SaaS) and as such, we charge our customers an annual subscription based upon the modules selected and user counts.

Typically, Coupa relies upon our implementation partners to handle most of the services required to implement the solution. These implementation services include overall project management, data ETL (extract, transfer and load), system configuration, business process optimization (optional), change management (optional), training, and post go-live support (optional). Our primary implementation partner for the Federal marketplace is Deloitte.

Coupa typically assigns at least two professional services personnel to each implementation to ensure customer success. We call these positions our Customer Success Leaders.

e. Suitability of FAR Commercial Service Requirements

i. Please address the extent you believe the following clauses/provisions are consistent with and/or are relevant to current, standard commercial practice for operating commercial e-commerce portals. If they are not consistent and/or relevant, please indicate what obstacles they would present if applied to the section 846 program. Conversely, if there are public policy reasons why any of these should be retained, please explain.

1. 52.212–4(a), Inspection and acceptance

Coupa agrees in principle with the terms and conditions of this clause, in particular the right to inspect and test our products or services and the expectation that non-performing products or services may be replaced. The item related to price reductions will need to be reviewed to determine how that would apply against our standard Master Subscription Agreement.

2. 52.212–4(b), Assignment of claims

We have no issues or concerns with this clause.

3. 52.212–4(g), Invoice

We have no issues or concerns with this clause.

4. 52.212–4(k), Taxes

We have no issues with this clause, however for the processing of procurements through Coupa’s e-commerce portal to third party providers, it is the responsibility of that third party to calculate and apply the appropriate taxes.

5. 52.212–4(n), Title

This clause requires clarification. Coupa, as the provider of the e-commerce portal as subscription (software as a service), we do not pass title to our software products to our customers. However, if this clause refers to the goods/services acquired through our portal from third party suppliers, then the Federal government must have an agreement with that supplier regarding the transfer of title.

6. 52.212–4(q), Other compliances

In general, we have no issues with this clause, but an open-ended statement that we must comply with ALL Federal, State, and Local laws, executive orders, rules and regulations applicable, etc. must be reviewed with potential assumptions or exclusions. For example, the previous clause related to title transfer may be a potential contractual issue.

7. 52.204–10, Reporting Executive Compensation and First-Tier Subcontract Awards

Coupa Software is a public company, and as such the compensation of our executive management team is publicly available. Regarding the agreement to provide financial information for first-tier subcontract awards, we have no issues but may need to consult with our legal team depending upon the contractual arrangement with our subcontractor(s).

1. 52.219–3, Notice of HUBZone Set-Aside or Sole-Source Award

We have no issues or concerns with this clause.

1. 52.219–4, Notice of Price Evaluation Preference for HUBZone Small Business Concerns

We have no issues or concerns with this clause.

1. 52.219–27, Notice of Service-Disabled Veteran-Owned Small Business Set-Aside

We have no issues or concerns with this clause.

1. 52.222–3, Convict Labor

We have no issues or concerns with this clause.

1. 52.222–17, Nondisplacement of Qualified Workers

We do not see the applicability of this clause on the operation and/or implementation of our software solution.

1. 52.222–35, Equal Opportunity for Veterans

We have no issues or concerns with this clause.

1. 52.222–37, Employment Reports on Veterans

We have no issues or concerns with this clause.

1. 52.223–18, Encouraging Contractor Policies to Ban Text Messaging While Driving

We have no issues or concerns with this clause.

1. 52.232–29, Terms for Financing of Purchases of Commercial Items

We have no issues or concerns with this clause.

1. 52.232–30, Installment Payments for Commercial Items

We have no issues or concerns with this clause.

1. 52.242–5, Payments to Small Business Subcontractors

We have no issues or concerns with this clause.

1. 52.212–3(t), Public Disclosure of Greenhouse Gas Emissions and Reduction Goals

We have no issues or concerns with this clause – with the understanding that we can not assume responsibility for third party organizations/suppliers who have sold goods/service through our e-commerce portal.

1. 52–212–4(f), Excusable Delays

We have no issues with this clause, however we would insist on the terms and conditions of this clause be detailed in a mutually agreeable statement of work for each implementation.

1. 52.212–4(h), Patent Indemnity

We have no issues or concerns with this clause.

1. 52.212–4(i)(4), Discount

We have no issues or concerns with this clause.

1. 52.212–4(s), Order of precedence

We have no issues of concerns with this clause.

1. 52.232–40, Providing Accelerated Payments to Small Business Subcontractors

We have no issues or concerns with this clause.

1. 52.223–9, Estimate of Percentage of Recovered Material Content for EPA–Designated Items

We do not see the applicability of this clause as our product is a subscription based, software as a service and there is no actual delivery of materials/goods. Regarding the delivery of products/supplies/etc. from third party providers through Coupa, the Federal government would need to work directly with those providers related to the recovery of materials.

f. Additional Considerations:

i. Are there different terms and conditions based on the country being served by a given commercial ecommerce portal?

More details related to this question must be provided to give a comprehensive response. Our e-commerce portal is designed to operate in more than 180 countries and currently supports more than 20 different languages. We have incorporated country-specific business processes, depending upon the country served, to address unique terms and conditions related to e-commerce procurements. The third party suppliers selling through our system must also be aware and must adopt any country-unique terms and conditions related to their sales. There are (or may be) different terms and conditions for non-US based e-commerce and we have, in most cases, prepared for these unique terms/conditions – but we would need to evaluate each non-US country implementation to ensure we address all requirements.

ii. If you are not registered on www.sam.gov would you be willing to register? Why or why not?

We are registered with [www.sam.gov](http://www.sam.gov) – and we would be willing to establish an integration linkage to this site.

iii. For your other commercial customers, do you offer ways to limit access to products on your platform for B2B customers who may not want access to your full catalog?

Yes. We have the ability to limit access to specific catalogs, marketplaces, and/or products based upon rules defined by user access. We can also limit procurements based upon price points, location, type of supplier, etc.

g. Copies of standard terms and conditions:

i. Please provide GSA with copies of your standard terms and conditions that apply to your suppliers?

We have included the following link to view our standard Master Subscription Agreement. This agreement addresses our standard terms and conditions for users and suppliers.

Please see our standard Master Subscription Agreement at this link: <https://www.coupa.com/master-subscription-agreement/>

ii. Please provide GSA with copies of your standard terms and conditions that apply to users (i.e. buyers)?

We have included the following link to view our standard Master Subscription Agreement. This agreement addresses our standard terms and conditions for users and suppliers.

Please see our standard Master Subscription Agreement at this link: <https://www.coupa.com/master-subscription-agreement/>

# 6. Proof of concept

As explained in the Phase I implementation plan, GSA intends to proceed with a proof of concept in FY 2019. What is your recommended vision for a proof of concept that would be both manageable and meaningful, including types of products offered?

Coupa Software believes strongly that creating a proof of concept (pilot) solution to address the requirements of Section 846 is the best path to ensuring success for this legislation. Our vision for this proof of concept is based upon the following:

* Management and Evaluation
* Products/Solution Components
* Speed to Value
* Integrations/Linkages
* Support

**Management/Evaluation:** We believe that the GSA/OMB team should take the lead on this and determine the parameters for establishing one or more POCs. These parameters will need to include the identification of the vendors supplying the POCs, the personnel assigned to review/test the POCs (which would also include any security decisions for access, limitations, workflows, etc.), what Federal agencies will participate in the evaluation/testing of the POCs, and most importantly determining what are the criteria for a successful POC.

The key factors for determining success should at a minimum include: 1) ease of use, ability to navigate the system and complete transactions simply and efficiently; 2) compliance with Federal regulations, guidelines, mandates, etc., such as fund availability, proper account coding, adherence to spending/approval guidelines, and proper use of existing Federal suppliers/contracts; 3) visibility to all transactions and ease of access to data; 4) identification of potential savings; 5) proper use of socio-economic/small business designated suppliers; 6) ease of connections to other ancillary systems such as [www.sam.gov](http://www.sam.gov), GSA Advantage, etc.; and 7) proper access to other e-commerce portals/marketplaces to allow for broader market research and intelligence and broader access to “on-line” buying with assurances that proper procurement processes and procedures are followed.

**Products/Solution Components:** In order to provide an effective POC, the e-commerce portal solution should provide the functionality to manage a complete “source-to-pay” process. The system should provide the means to do effective market research, review existing inventories, review existing contracts, spend against existing contracts, and provide access to a broad range of suppliers including “open buy” on-line e-commerce portals. The system should provide complete and comprehensive procure-to-pay capabilities that would include the ability to process requisitions, orders, receipts, and invoicing – while providing a flexible workflow/approval process. The system should also address the mobility needs of the users by providing the capability to process transactions or approvals when out of the office. The system should also provide the supplier risk reviews and fraud and abuse reviews. Our recommendation for our product mix for the POC would be the following:

* Coupa Sourcing
* Coupa Supplier Information Management
* Coupa P2P
* Coupa Invoicing
* Coupa Risk Aware
* Coupa Contract Lifecycle Management (to track existing contracts but may be used to create new contracts if this functionality is part of the POC)
* Coupa Analytics

**Speed to Value:** The system will need to be implemented in a timely manner to address the needs of multiple Federal agencies. The ability to provide a “customized” view and establish the proper data requirements through configuration vs. software customization will help get the POC up and running quickly. The use of APIs to address the integration needs is also critical.

**Integrations/Linkages:** In order for the POC to be properly evaluated, the system must be complete and provide the connections required to accurately process procurement transactions. At a minimum, the system must have an enabled base of suppliers/vendors. This may be accomplished through the enablement of existing Federal contracts, marketplaces, and/or catalogs. In addition, the system (if complete source-to-pay transaction will be processed) will need to be connected to the host ERP solution in order to post transactions to the appropriate account codes/GL codes and to ensure the payment transactions have been properly established. A linkage to the preferred payment solution should also be done (this may be done with the connection to the ERP solution). Other integrations that may be required could be connections to systems such as [www.fedbizops.com](http://www.fedbizops.com), [www.sam.gov](http://www.sam.gov), etc.

**Support:** While Coupa believes our solution is extremely intuitive and easy to use, we strongly recommend that GSA/OMB require some level of vendor support during the POC period to ensure the system is operating and used to provide maximum value. Coupa provides what we call Customer Success Managers to support our customers to ensure things go smoothly and they are using the system effectively.

Based upon our ease of implementation and our flexible and configurable solution, coupled with our ability to easily integrate to all major ERPs we believe that we could establish an effective and meaningful POC for GSA/OMB in a timely manner. Should we become a part of Phase II of the rollout of Section 846, we strongly encourage GSA/OMB to take advantage of our customer support in order to ensure the success parameters established by GSA/OMB are met.

The beginning of this document contains an executive overview of Coupa’s e-commerce solution. Should GSA/OMB require additional information or more details, please do not hesitate to reach out to us.

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