



RFP: C202002 – Lottery Internal Control System

BIDDER ACKNOWLEDGEMENT OF ADDENDUM

Amendment Number: One

Date Issued: January 22, 2021

Summary:

1. Revised Schedule of Events:

Schedule of Events	
The following dates are established for informational and planning purposes. The Commission reserves the right to adjust this schedule, in its sole discretion.	
Event	Date
RFP Release Date	January 6, 2021
Written Questions Due 3:00 pm EDT	January 15, 2021
Commission Answers Issued	January 22, 2021
Proposal Due Date 3:00 pm EDT	February 5, 2021
Contract Start Date	Upon OSC Approval

2. Questions and answers are attached.

3. The Commission hereby amends RFP #C200002 to add the following section:

1.10 Prohibited Vendors

The Commission will only procure an Internal Control System from a bidder that is independent from and not an integral part of the Lottery's Gaming System provider and/or Ticket System provider. Any bidder not meeting such requirement shall be disqualified from an award under this RFP. In addition, any Successful Bidder will be prohibited from any procurement that would result in the Successful Bidder becoming (a) the Gaming System provider, (b) the Instant Ticket System provider, and/or (c) integral to the operation of the Gaming System and/or Instant Ticket System during the term of the Contract.

Please note:

All changes or additions to the RFP are made in **red** text.

All other requirements and conditions remain as indicated in the RFP.

By signing below, the bidder attests to receiving and responding to the amendment number indicated above.

FIRM NAME: _____

REPRESENTATIVE SIGNATURE: _____

**New York Lottery Internal Control System
Question and Answer Summary
Issued: January 21, 2021**

Q.1: Whether companies from Outside USA can apply for this? (like, from India or Canada)

A.1: Companies based outside the United States may submit a proposal but services performed utilizing Commission data must be performed within the continental United States.

Q.2: Whether we need to come over there for meetings?

A.2: On-site meetings will be required.

Q.3: Can we perform the tasks (related to RFP) outside USA? (like, from India or Canada)

A.3: Sections 6.17.B and 6.17.E.3 prohibit all confidential data and data related to this RFP to be transmitted outside of the continental United States. Any services involving the accessing, processing, transmission, or storage of data therefore must be performed in the continental United States.

Q.4: Can we submit the proposals via email?

A.4: Section 5.4.C of the RFP provides instructions for submitting proposals electronically.

Q.5: Section 2.1: Under what conditions ICS-Test would be used in Production?

A.5: In the event of ICS-A or ICS-B failure or other issue affecting proper function of ICS-A or ICS-B.

Q.6: Section 2.1: In the scope of work it is mentioned that: The ICS shall support the most current Multi-State Lottery Association ("MUSL") lockdown alternative technology during the term of the Contract. Please share more information or documentation on MUSL and MUSL rules and MUSL security standards

A.6: Lockdown alternative refers to the situations where all transaction data is required to be captured pre-draw. The pre-draw transaction data needs to be captured in a secure way that provides an audit trail if any issue arises. Two methods are commonly utilized for pre-draw data capture: 1) Export to USB storage medium; and 2) Upload to a separate SFTP server.

Q.7: Section 2.1: Please explain what is MUSL automated reporting system and automated programming interface (MARS API)?

A.7: MARS (MUSL Automated Answering System) is an interface to allow entry of Gaming System and ICS data to submit data to MUSL.

Lottery, Gaming System and ICS reports must conform to hashing and signature requirements.

TLS 1.2 is the minimum requirement for connections to domains.

Q.8: Section 2.1: Please list down the agreed/authorized testing laboratories.

A.8: The Commission does not have any pre-approved testing laboratories. Upon recommendation of the Bidder, the Commission will consider agreement for the use of such laboratory for testing.

Q.9: Will the code base and documentation of the current application software in use be provided to the vendor?

A.9: The Commission will provide the Successful Bidder with code base and available documentation necessary to fulfill the requirements of the RFP.

Q.10: Please share the technology stack of the current auditing system running on mainframe?

A.10: COBOL (incorporating use of VSAM, DB2, JCL, EARL). ICS conversion program written in C.

Q.11: Please share if the documentation for the current auditing system will be available to vendor?

A.11: The Successful Bidder will be provided with available documentation.

Q.12: Please provide the number of ongoing lotteries and instant games (Daily/Weekly/Fortnightly etc.).

A.12: Please see the supplemental exhibit (Exhibit 1) attached as the last page of this document.

Q.13: Section 2.1.B.8.vii – Application Software: Please define “service fees”? How would the ICS receive this information? (e.g., transaction feed, external file, etc.)

A.13: The service fee is a weekly charge to a retailer. Service fees may be delivered as an external file, transaction feed or other technical solution approved by the Commission.

Q.14: Section 2.1-B-8-ix – Application Software: Please define “inquiry”?

A.14: Any standard or ad-hoc request for information.

Q.15: Section 2.1-B – Application Software: Will the commission accept an escrow agreement with the bidder and a 3rd party Escrow Agent for source code and documentation in lieu of the Commission directly obtaining the bidder’s source code and documentation?

A.15: Yes.

Q.16: Section D – Data Files: Can the Commission provide an estimate of how much data would be required to be stored off-site?

A.16: The current system utilizes between 5,500 and 6,000 gigabytes to store two years’ worth of files.

Q.17: Section 6.15 - B.2 – Commission Security Requirements - Access by Personnel, Section 6.17 - B – Technology Provisions - Offshore Restrictions, and Section 6.17 - E3 – Technology Provisions - Data Access and Location:

Will the Commission waive these requirements as the bidder personnel are located in Canada, access the data in Canada and perform the work in Canada?

A.17: No.

Q.18: Section 7.13 – Insurer Qualifications & Insurance Requirements

1. Will the Commission negotiate and accept insurance limits comparable to ICS contracts in other jurisdictions?
 - a. In particular, will the Commission accept a \$5,000,000 Errors & Omissions policy which also covers Data Breach and Privacy/Cyber Liability instead of a \$50,000,000 policy?
 - b. In particular, will the Commission accept a \$1,000,000 Crime policy instead of a \$5,000,000 policy?

A.18-a: No.

A.18-b: No.

Q.19: Appendix Q – Liquidated Damages

1. Will the Commission negotiate and accept lower liquidated damages comparable to ICS contracts in other jurisdictions?
2. Will the Commission agree to a cap on liquidated damages for the annual contract value?

A.19-1: No.

A.19-2: No.

Q.20: Appendix R – Bonds

1. Will the Commission accept a \$100,000 Proposal Bond which is more comparable to ICS contracts in other jurisdictions instead of a \$250,000 bond?
2. Will the Commission accept a \$100,000 Litigation Bond which is more comparable to ICS contracts in other jurisdictions instead of a \$1,000,000 bond?
3. Will the Commission accept a \$100,000 Performance Bond which is more comparable to ICS contracts in other jurisdictions instead of a \$2,500,000 bond?
4. Will the Commission accept a Crime Policy of \$1,000,000 which is more comparable to ICS contracts in other jurisdictions instead of a \$5,000,000 bond?

A.20-1: No.

A.20-2: No.

A.20-3: No.

A.20-4: No bond is required or allowed in lieu of a crime insurance policy. If this question intended to ask for a reduction in the required limits of the crime insurance policy from \$5,000,000 to \$1,000,000, the Commission will not agree to this reduction.

Q.21: Appendix S – Confidentiality & Non-Disclosure Agreement

Page 4 of the template shows the location of the acknowledgment to be New York. Does the Commission intend to require all bidder personnel travel to New York to obtain the signature of a New York based Notary Public?

A.21: No. The acknowledgement should be notarized in the location where it is signed.

Q. 22: The RFP appears to be silent on the need for the ICS vendor to support a Full Service Lottery System conversion where the current lottery transaction processing system that the ICS will process information is replaced. As this would reasonably be anticipated to take place during the five (5) year term of Contract #C2020002, would the Gaming Commission please confirm that it will be the ICS vendor who will be responsible for the cost and services required to support both the existing and new future lottery gaming system?

A.22: The Commission hereby amends Section 2.1.M of the RFP as follows:

- M. Transitioning from Mainframe to ICS Vendor **and future Gaming System and Instant Ticket System**. The ICS Vendor shall have a detailed implementation and conversion plan, **including costs and services**, to transition the auditing system from the ITS Mainframe to the ICS Vendor that identifies all tasks, estimated timeframes for the tasks,

milestones, roles, and responsibilities for the ICS Vendor and Commission staff. In the event the Commission completes a Gaming System conversion during the term of this Contract, the ICS Vendor shall create and present for the Commission's review and required approval, a detailed implementation and conversion plan, including costs and services, for the ICS Vendor to support the future Gaming System.

The pricing proposal form (Attachment 2 of the RFP), has been revised to reflect fees associated with this amendment.



Games

Type/
Matrix

Add-on/
Wager Types

Payout

Top Prize

Base Price/ Add
on

Draw Close Time /
Draw Times

Number Selection/
Multi Draw Play

Multi-
State Lotto



Lotto
5/69 + 1/26

Powerplay

50%

Min JP: based on
available funds.

\$2/\$1 Powerplay

Wed & Sat
10:00 p.m./ 10:59 p.m.

Quick Pick/Play Up to 26
consecutive Draws/Play It Again



Lotto
5/70 + 1/25

Megaplier, Just
the Jackpot

50%

Min JP: based on
available funds.

\$2/ \$1
Megaplier. /\$3
for 2 QP for Just
the Jackpot

Tue & Fri
10:45 p.m./
11:00 p.m.

Quick Pick/Play up to 26
consecutive draws/Play It
Again/Subscription



Cash
5/60 + 1/4

None

55%

\$1K per day for life

\$2

Daily
8:45 p.m./
9:00 p.m.

Quick Pick/Play up to 28
consecutive draws/Play It
Again/Subscription

In-State
Games



Lotto
6/59 & Bonus Number
for 2nd prize

None

40%

Min JP:
\$2,000,000

2
for \$1

Wed & Sat
8:00 p.m./
8:15 p.m.

Quick Pick/ Play up to 26
consecutive draws/Play It
Again/Subscription



Cash
5/39

Instant
Win

50%
(64.25% IW)

Pari-mutuel
~ \$57,576

\$1/\$1

Daily
10:20 p.m./
10:30 p.m.

Quick Pick/ Play up to 7
consecutive draws/Play It
Again

Number
Games



Pick 3 digits

Instant Win/
Straight, Box
Straight/Box,
Combination/Fro
nt Pair/Back Pair

50%
(64.25% IW)

\$500

\$0.50
or \$1

Twice daily
2:15 / 2:30 p.m.
& 10:20 / 10:30 p.m.

Quick Pick/Play up to 7 days
/Play It Again



Pick 4 digits

Instant Win/
Straight, Box
Straight/Box,
Combination/Fro
nt Pair/Back Pair

50%
(65.25% IW)

\$5,000

\$0.50
or \$1

Twice daily
2:15 / 2:30 p.m.
& 10:20 / 10:30 p.m.

Other



Daily
Keno 10/80

None

50%

\$500,000

\$1

Daily
8:00p.m./
8:30 p.m.

Quick Pick/ Play up to 7
consecutive draws/Play It
Again



Club Keno
1-10/80

Extra, Party Play

60%

\$100,000
for 10 spot

\$1-\$10 per
draw/ Doubles
wager cost/\$1
for next draw

Every 4 mins.
be 4:04 a.m.
to 3:24 a.m.

Play up to 20 consecutive draws,
max wager per playcard \$102/Play
It Again



1/80

None

60%

\$50

\$1

Every 4 mins.
be 4:04 a.m.
to 3:24 a.m.

Quick Pick Only/Play up to 20
consecutive draws/Play It
Again

Instant Scratch-off Games: Approximately 75-80 instant games are available for sale at any given time and approximately 125 instant games are in validation status at any given time. Scratch-off games are launched every 4-6 weeks.

DRAW BASED GAMES