



June 28, 2021

Ms. Traci Davidson
Sr. Strategic Sourcing Analyst
Indiana Department of Administration
Procurement Division
402 W. Washington Street, Room W468
Indianapolis, IN 46204

Dear Ms. Davidson:

JANUS Software, Inc., d/b/a JANUS Associates (JANUS) is pleased to present the Indiana Department of Administration, who is acting on behalf of the State Lottery Commission of Indiana (Lottery), with this proposal for an independent security controls audit. We have broad experience in auditing lottery and gaming environments and will bring that experience to this project.

JANUS was founded in 1988 to perform security audits as one of our core specialties. Our founder was in charge of IBM's own data security for Latin America and Canada and left to found JANUS to serve the growing needs of data security, before the term "cyber" existed. At that time, the focus was IBM mainframes where JANUS audited many large corporate and government organizations. However, as the Internet came along, JANUS immediately embraced that technology and has progressed along with the growth of the Internet since that time – continuing with our security auditing and penetration testing of gaming, tribal, and lottery entities as well as across many other industries.

However, security auditing has changed over the recent past. Due to the complexity of today's lottery functions, there is a severe shortage of skilled talent who can perform technical lottery auditing and JANUS has chosen to increase our focus there with our highly skilled engineer auditors. In addition to the procedural elements, our lottery audits also contain a highly technical bent so that you can determine what unseen, but very important, issues exist in your computing processes and practices. Without this element, there can be no sound security. Our lottery clients are extremely automated and they cannot easily determine how adequate the security of their operations is without significant technical experts examining the entire internal operation of their environment – including penetration

testing specialists such as our firm. JANUS is assisting them better protect by focusing out audits on the technical as well as the managerial, operational, and environmental aspects of auditing that are more traditional.

We have never veered from our cyber security roots. We are still security audit experts – but, today, in all the technologies that have come along in the last 30+ years and for all the regulatory standards that are currently in effect. We have the credentials, past performance, and high-quality reputation for producing thorough results that only seasoned security specialists can provide to this project.

The type of activities and testing that make up this project are what JANUS was founded to perform, and what we have continued to do for our entire history. We bring you extensive experience across a wide variety of client technical environments, so we see a wide array of problems. This provides us with deep experience in extremely detailed issues which we will bring to your project.

JANUS' success in this industry has been, to a great extent, on our care for our clients. This results from our flexibility to meet specific client needs (there are always twists and turns in any project); from our drive for high quality and thorough results; and for close work with our clients as a partner. Together, these have led to a large group of very successful projects. Your expectations should be high with your cyber security partner and we will always strive to meet those. We are currently completing a similar project for the Connecticut Lottery Corporation and shortly before that, for the Minnesota State Lottery who is a repeat client – we hope you also will become a repeat client.

We have a thorough methodology designed to ensure that we not only examine compliance but also focus on how someone might circumvent your compliant processes and cause the Lottery harm. We also have quality ensuring processes explained more fully in our Technical Proposal (Attachment F) to produce results that are well written, technically correct, and thoroughly researched, including technical analyses.

We regularly perform our projects on-time because we have learned to break down our work into small segments which are able to be sized properly in our proposals. This results in a thorough understanding of what we need to do, assignment of the correct skills with which to do it, and development of thoughtful recommendations results.

JANUS is the longest operating information security firm in America and has an extensive history of performing security/risk assessments/audits and penetration testing. This longevity has allowed JANUS to train our employees over a period of many years in all the technologies that are needed. Since our founding in 1988, JANUS has remained a private, woman-owned small business that is focused on providing leading edge information security services and we have extensive experience in undertaking an audit of the type requested by the Lottery. JANUS regularly provides similar services for federal, state and local government entities, utilities, private sector businesses, education, gaming, and not-for-profit organizations. Examples of recent similar projects include the State of Minnesota Lottery; the

Mohegan Sun Casino; Texas Tech University Health Sciences Center; the University of Wisconsin; Massachusetts Water Resources Authority; the Commonwealth of Massachusetts; U.S. Railroad Retirement Board (Chicago); North Carolina Department of Revenue; and the State of Maryland Comptroller's Office.

We perform hands-on examination and thorough verification of your environment to be sure that our results are accurate. Unlike many firms, we ensure that we have found the source of the problem, not simply one of its symptoms so that you can accurately remediate it.

With this proposal we believe we offer exceptional value that is well above what is typically provided with such an engagement. JANUS is a quality-oriented consulting company. Therefore, we cannot necessarily compete as the lowest cost provider. However, we bring so much additional value that we are truly the lowest Total Cost of Ownership company for our clients, in the long-term. Some of our unique capabilities are defined within our response but we would like to reiterate them here:

- Work that is far more detailed than most firms have the skills to provide;
- Findings that provide significantly more relevant and actionable information than is typical;
- Explanation of business risk to assist management (rather than simply technical staff) in understanding the significance of each vulnerability found as it relates to the Lottery's specific operations and/or business;
- In technical examinations, hands-on manual manipulation and non-destructive testing to prevent system damage while minimizing "false positives" which, otherwise, the Lottery would need to investigate after the audit to understand how to remediate issues;
- Knowledge transfer to enable the Lottery IT staff to continue advanced security analysis after we are finished; and
- Daily out-briefs and a comprehensive fieldwork debrief at the conclusion of field-work activities.

JANUS brings the Lottery a full-service cyber security solution, focused on conducting security audits and assessment of all types along with an understanding of security engineering and implementation of security solutions within an IT environment. Security audits/assessments have been our core competency for over 32 years. As such, we have a very well-honed hybrid methodology based on recognized industry standards and proprietary JANUS methods that have been utilized in literally hundreds of similar projects, over the years. We will first prepare our audit/test plan (that we discuss with you) to guide our activities and ensure that the scope is what was intended. We will then begin the auditing to determine what problems we can uncover as defined within the mutually agreed upon Plan. Following these efforts and the actual examination and testing, a detailed draft report will be prepared for review and input by Lottery staff. Upon completion of your feedback review the final report will be prepared and delivered, as agreed to.

The deliverables that JANUS will produce will contain thorough, detailed findings and recommendations that will provide the Lottery with actionable results. These reports will allow the Lottery's IT

management to quickly understand each problem and determine what actions need to be taken. Our analysis and detailed reporting offer benefits many levels above those of our competitors and this has been confirmed to us by our clients. This level of excellence is the direct result of the decades-long experience of our team and the dedication that only a tightly focused group can offer.

We have the right people and expertise. JANUS' experience has been gained from a long history of successful "on-time, within budget" performance resulting in consistently high client satisfaction with a core focus on security and risk management. JANUS staff members possess many years of experience in projects like the one now contemplated by the Lottery, and we will bring a strong solution, by experts who work with this type of project on a daily basis.

JANUS also has built a strong reputation for flexibility to meet client needs. This is due to the skills and professionalism of JANUS staff as well as our firm's dedication to being your partner and working with you to achieve the best result for you – all while remaining free of any vendor hardware or software affiliations, or any conflicts of interest.

We are a vendor-neutral firm, meaning that we have no auxiliary services that would compromise our testing and advice. Managed services, accounting, software companies, and legal firms are not specialists in security testing and assessments/audits or remediation advice. They all either focus on IT implementation or in other skills and state that they perform security audits because clients ask for these services. However, JANUS was founded to perform security audits, risk assessments, and penetration tests, and has all the analytical skills required, not simply implementation skills. As a result, our clients find that our results are more focused, bring more insight, and are of a higher quality than other types of firms.

Agreement with Requirements Listed in Section 1

JANUS acknowledges and understands the general information presented in Section 1 of the RFP. JANUS is also in agreement with any requirement/conditions listed in Section 1 of the RFP.

Summary of Ability and Desire to Supply the Required Products or Services

We have summarized above our ability to supply the requested services as defined in Section 2.4 of the RFP. JANUS is willing to provide the requested services subject to the terms and conditions set forth in the RFP including, but not limited to, the State's mandatory contract clauses but we respectfully request a waiver to Section 4.5 Faithful Performance Bond that states: *Pursuant to IC 4-30-8-5, Contractor, as a major procurement Contractor, shall furnish to the Lottery a Performance Bond at the time of the execution of this Contract equal to the full amount estimated to be paid annually under this Contract. The Performance Bond may be in the form of an unconditional, irrevocable letter of credit, cash deposited in the form of either a cashier's check, certified check, a surety bond, or securities satisfactory to the Lottery. Any change in work, extension of time or termination of this Contract, if any, made pursuant to this Contract shall in no way release the Contractor or any of its sureties from any of their obligations. Such bond shall contain a waiver of notice of any change to this Contract. The bond shall*

remain in effect throughout the initial term and any and all extension terms of this Contract. Notwithstanding any other provisions relating to the beginning of the term, this Contract will not become effective until the Performance Bond required by this section is delivered in the correct form and amount to the Lottery. Contractor will forfeit the Performance Bond or a portion thereof if Contractor fails to perform pursuant to the terms of this Contract.

As the oldest continuously operating security consultancy in the nation, JANUS has an unblemished record of performance with our clients including the Connecticut Lottery Corporation, the Oregon State Lottery Commission, and multiple engagements with the Minnesota State Lottery. JANUS is able to offer the highest quality services at extremely low costs by carefully controlling our expenses and cash flow. Posting a Performance Bond by an irrevocable letter of credit or one of the other methods described above would create an undue financial hardship for our firm. We urge the selection committee to consider this request and as part of its due diligence, contact our references to confirm the quality of our work and our ability to meet or exceed all areas of our contracts with those clients.

Principal Contact

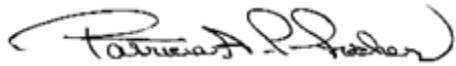
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Confidential Information

Pursuant to Indiana Code § 5-14-3-4(a)(4), JANUS requests that sections in our response titled Methodology, Approach, and Deliverables (or any language associated with them) including graphics within those sections be treated as **Proprietary/Trade Secrets**, since these relate to JANUS' main line of business and the disclosure of which would cause competitive harm to our business, we keep this information private so as not to provide a competitive advantage to other companies. In addition, JANUS deems information related to our employees, that is employee names included within the proposal in biographies, resumes or price sheets, as **Protected**. Due to the personal nature of, and to prevent other companies from harvesting this information we do not reveal the names of our employees. JANUS also deems contact information related to our clients as **Confidential**. As a security company we do not openly reveal our clients' contact information.

Thank you for allowing JANUS the opportunity to respond to this request. JANUS management and staff look forward to working with your team to meet your security goals and objectives and to exceed expectations as a service provider.

Sincerely,

A handwritten signature in black ink, appearing to read "Patricia A. Fisher".

Patricia Fisher
President and CEO