

NSI Policy Supplement for Request for Proposal
Verification

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1. Overview

1.1 Introduction

The objective of the North American Association of State and Provincial Lotteries (NASPL) Standards Initiative Certification and Verification Program is to encourage and facilitate the adoption and implementation of NASPL Standards Initiative (NSI) Best Practices and Technical Standards in lotteries, lottery industry vendors, retailers, and other lottery industry expert organizations that provide software, hardware, or services to lotteries. The program provides formal recognition of an Organization's conformance to an industry Best Practice or Technical Standard. The Certification Program is for vendors and other organizations that wish to demonstrate and receive recognition for the conformance of their business practices and technologies to the NSI Best Practices and Technical Standards, whereas the Verification Program is the parallel program providing the means for lotteries to demonstrate conformance in the areas applicable to lotteries.

This document is a supplement to the general NSI Certification/Verification Policy document. Whereas the general NSI Certification/Verification Policy document defines the generic NSI certification/verification policies, this document, the NSI Policy Supplement for Request for Proposal (RFP) Verification, defines the specific policy elements that pertain only to RFP verification. In conjunction with the general NSI Certification/Verification Policy document, this document defines the policies that govern the operation of the NSI Request for Proposal Verification Program.

These policies define what can be verified, what it means to be verified, and the process for achieving and maintaining verification. These policies also define the obligations on Organizations, including a requirement for an Organization to warrant and represent that its Verified Entity meets the applicable Conformance Requirements, which include conformance to the applicable NSI Best Practice(s) or Technical Standard(s) as interpreted by the NSI from time to time.

This document, along with the general NSI Certification/Verification Policy document, is intended primarily for Organizations that would like to verify their Request for Proposal process and/or one or more of their RFPs. This collective policy represented by both documents - in conjunction with the Certification/Verification Agreement and Verification Trademark License Agreement - constitutes the set of requirements and obligations for achieving verification. Vendors intending to respond to RFPs from Organizations with Verified Entities, and other stakeholders who want assurance of an Organization's capabilities, will also find this document useful for understanding what they can expect from a Verified Entity.

1.2 Scope

NSI Request for Proposal verification covers the following NSI Best Practices:

- Request for Proposal (RFP) Process
- Standard Request for Proposal Template (SRT)

Verification is available for the following entity for which Conformance Requirements have been defined:

- **RFP Standard Template**

Verification is for individual Request for Proposal documents produced and issued by the lottery. Verification assures that the verified RFP conforms to the Standard Request for Proposal Template Best Practice.

Verification is expected to be available in the future for the following entity for which Conformance Requirements have been defined:

- **RFP Process**

Verification is for the lottery's business practice for producing and issuing Request for Proposal documents and evaluating vendor responses for the purpose of procuring gaming system products and/or related services as well as the procurement of other lottery products and services, including but not limited to instant tickets, video games, and IT and marketing services.

A lottery may be verified in one or more of the following areas of the RFP Process:

- RFP Pre-Development
- RFP Format, Content, Policy, and Process
- Communication during RFP Process
- Proposal Evaluation & Notification of Successful Bidder

Verification assures that the lottery is following the Request for Proposal Process Best Practice in the specific areas verified. Once verified, the lottery must follow the Best Practice in the verified areas for all subsequent RFPs.

1.3 Terminology and Definitions

Refer to the general NSI Certification/Verification Policy document.

1.4 Referenced Documents

This document should be used in conjunction with the general NSI Certification/Verification Policy document and is not intended for stand-alone use.

2. Verification Process Workflow

This section defines the process an Organization must follow to achieve verification against the NSI Request for Proposal Best Practices. The parties involved in the process are:

- Organization
- Certification and Verification Authority
- Specification Authority

The following diagrams show the overall certification/verification workflow and the workflows specific to RFP Verification. In addition to the general workflow diagram, there is a separate diagram for each of the entities covered by this program:

- RFP Process Workflow

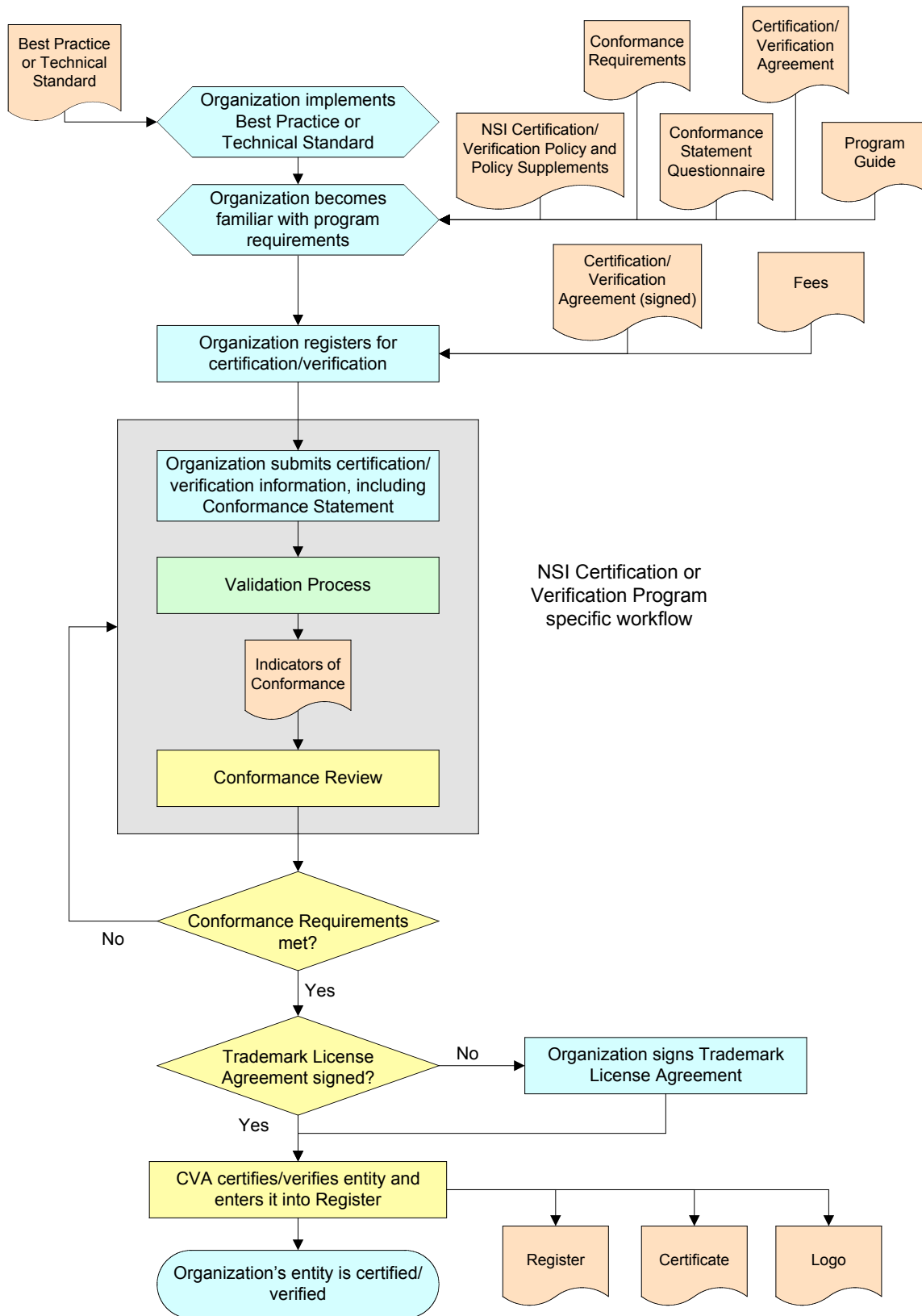
This workflow applies to each of the areas of the RFP Process, as defined in Section 1.2, except for *RFP Format, Content, Policy, and Process*, which (as defined in the RFP Process Conformance Requirements Document) must meet the requirements for the Standard Request for Proposal Template.

The Conformance Statement will be created when the first area of the RFP Process is verified, and will be subsequently updated as additional areas are verified. Each area to be verified will be subject to the set of steps defined in the RFP Process Workflow.

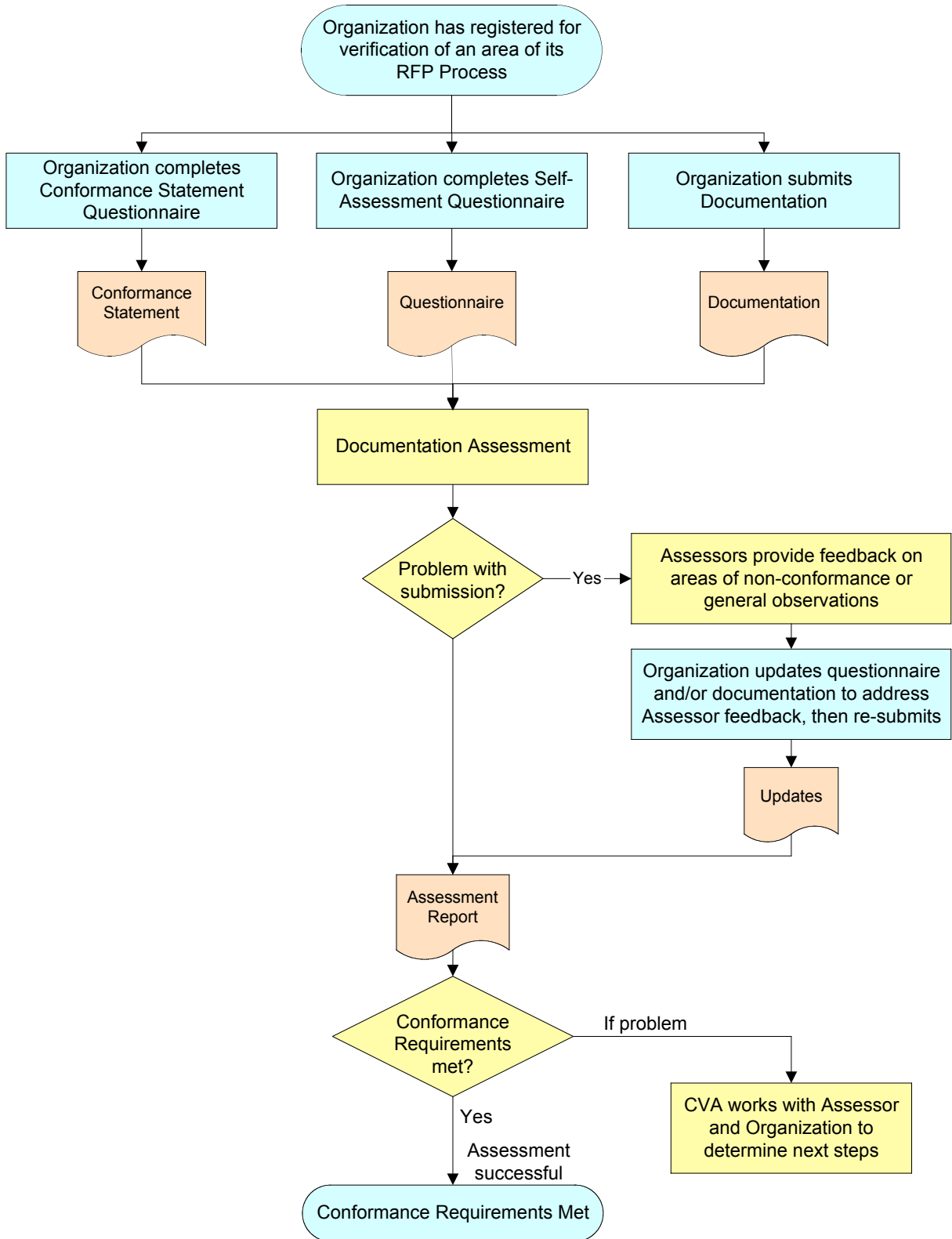
Verification of each area is independent of the others; that is, verification of the different areas does not need to be sequential but rather can be achieved in any order.

- RFP Standard Template Workflow

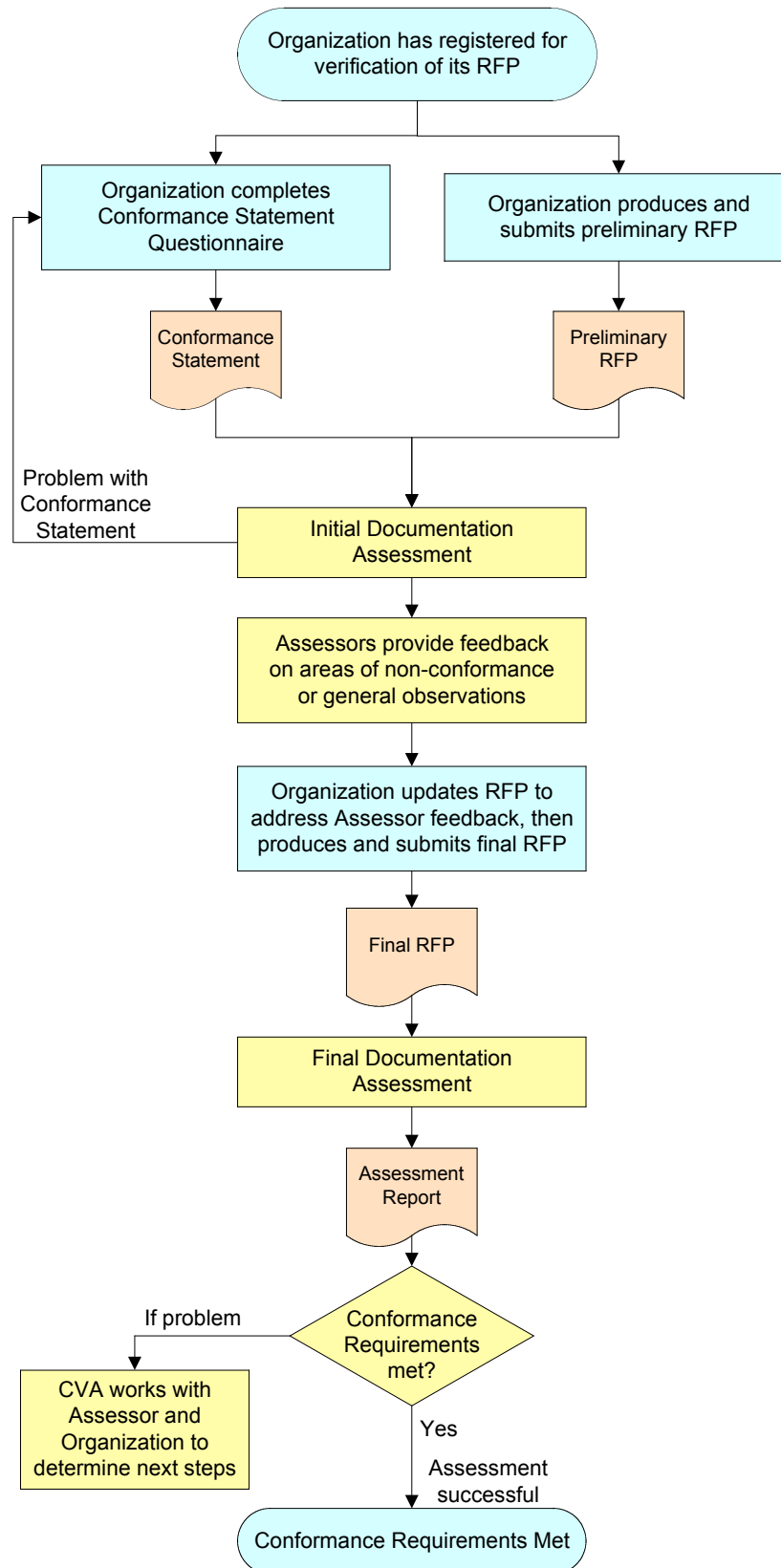
NSI Certification/Verification Process



RFP Process Workflow



RFP Standard Template Workflow



3. Indicators of Conformance and Conformance Review

All NSI Certification and Verification Programs require the completion of a Conformance Statement Questionnaire (CSQ) in order to produce a Conformance Statement that is specific to the business practice or technology. This process is described in detail in the general NSI Certification/Verification Policy document.

The following sections describe the specific processes, procedures, and policies by which conformance is demonstrated and validated for a lottery's RFP process against the RFP Process Best Practice and an RFP against the Standard Request for Proposal Template Best Practice.

3.1 RFP Process

Section 2 under the RFP Process Workflow bullet defines the overall policies for RFP Process Verification whereas this section describes the specific steps in the validation process.

3.1.1 Submitting Questionnaire and Documentation

Each area of the RFP Process, as defined in Section 1.2, will have its own specific submission requirements relative to the exact documentation to be submitted and the particular questionnaire to be completed. See the NSI Guide Supplement for Request for Proposal (RFP) Verification for details.

3.1.2 Documentation Assessment

The Assessors will review the information in the Conformance Statement, the submitted questionnaire and the supporting documentation to determine whether the Organization is demonstrably in conformity with the NSI RFP Process Best Practice in the areas specified on the registration form. This assessment will cover both mandatory requirements and the optional requirements for which the Organization has claimed support.

The Assessors will provide written feedback to the Organization identifying any areas of non-conformance or general observations with respect to conformance to the Best Practice.

3.1.3 Re-submitting documentation

The Organization will be given the opportunity to make updates to the questionnaire and/or supporting documentation to address the non-conformances and issues identified by the Assessors and re-submit the updates to the Certification and Verification Authority.

3.1.4 Assessment Report

The Assessors will document the outcome of the assessment process in an Assessment Report. If the outcome is that the Conformance Requirements have been met, then the Assessors will recommend that the Organization's RFP Process be verified in the specified areas.

If the Assessors identified any problems in implementing the NSI RFP Process Best Practice that were not addressed in the updated submission, then the Assessors may recommend that verification be denied. If the issues are minor and/or contained in the updated submission, the Assessors may provide the Organization one final opportunity to revise the questionnaire and/or documentation to address the non-

conformances and re-submit. In the event the Organization's final re-submission is not conformant, the Assessors will recommend that verification be denied.

The Assessors will use formal procedures to perform all stages of the assessment process to ensure the repeatability, reproducibility, and objectivity of the process. A representative of the Certification and Verification Authority, other than the ones who performed the assessment, will review the Assessment Report to ensure that the assessment process was performed in accordance with the defined procedures.

3.1.5 Conformance Review for RFP Process

The Certification and Verification Authority will review all verification information submitted by the Organization, along with the Assessment Report and any applicable Interpretations (INTs) or System Deficiencies (SDs), to validate that the evidence indicates that the Organization's RFP Process meets the applicable Conformance Requirements.

3.2 RFP Standard Template

3.2.1 Submitting Preliminary RFP

The Organization must submit their RFP for verification. The RFP may be submitted at any time after all sections (other than Appendix A) are complete and in conformance with the Standard Request for Proposal Template Best Practice. Section A, Technical Specifications, is not the subject of the initial Documentation Assessment, thus it may be in any state of development (e.g., not started, incomplete, complete).

3.2.2 Initial Documentation Assessment

The Assessors will review the information in the Conformance Statement, the preliminary RFP, and any other supporting information submitted. The Assessors will make an initial determination of the areas in which the Organization is demonstrably in conformity with the NSI Standard Request for Proposal Template Best Practice. This initial assessment will cover both mandatory requirements and optional requirements for which the Organization has claimed support.

The Assessors will provide written feedback to the Organization identifying any areas of non-conformance or general observations with respect to the conformance of the RFP to the Best Practice.

3.2.3 Submitting Final RFP

The Organization should update their RFP to address the feedback provided by the Assessors and finalize the content of the RFP, including Appendix A. The completed RFP that the Organization intends to publish is then submitted to the Certification and Verification Authority.

3.2.4 Final Documentation Assessment

The Assessors will review the final RFP to determine if it is demonstrably in conformity with the NSI Standard Request for Proposal Template Best Practice. The focus of the final documentation assessment will be on indeterminate areas identified during the initial documentation assessment and Appendix A.

3.2.5 Assessment Report

The Assessors will document the outcome of the assessment process in an Assessment Report. If the outcome is that the Conformance Requirements have been met, then the Assessors will recommend that the RFP be verified.

If the Assessors identified any major problems in implementing the NSI Standard Request for Proposal Template Best Practice that were not addressed in the final RFP, then the Assessors may recommend that verification be denied.

Otherwise, the Assessors will provide concise feedback to the Organization on the areas in the RFP that are non-conformant. The Organization will have one opportunity to revise the RFP to address the non-conformances and re-submit the RFP. In the event the Organization does not submit a conformant RFP on this final re-submission, the Assessors will recommend that verification be denied.

The Assessors will use formal procedures to perform all stages of the assessment process to ensure the repeatability, reproducibility, and objectivity of the process. A representative of the Certification and Verification Authority, other than the ones who performed the assessment, will review the Assessment Report to ensure that the assessment process was performed in accordance with the defined procedures.

3.2.6 Conformance Review for RFP Standard Template

The Certification and Verification Authority will review all verification information submitted by the Organization, along with the Assessment Report and any applicable Interpretations (INTs) or System Deficiencies (SDs), to validate that the evidence indicates that the Organization's RFP meets the applicable Conformance Requirements.

4. Verification Requirements for Modifications of a Verified Entity

This section defines the requirements for maintaining verification when there are changes to any of the elements upon which a business practice or RFP's verification was based. The subsections below detail the types of changes that may occur to a business practice and the corresponding requirements for re-verification or updating the verification record. Verification Record update means updating the applicable information in the verification record for the entity, such as the register, Conformance Statement and/or registration information.

Each subsection below applies only to verification against the identified Conformance Requirements Documents, or, if none are called out explicitly, then it applies to all NSI Request for Proposal Conformance Requirements.

Verification of an RFP against the RFP Standard Template Conformance Requirements applies just to that particular RFP. Any amendments to the RFP are to be performed in accordance with Section 1.13, *Amendments to the RFP*, in the RFP document itself and do not impact the verification of the RFP.

The table below summarizes the types of modifications that may occur in relation to a Verified Entity.

Section	Type of Modification	Conformance Requirements to which this Applies	Validation Requirement	Verification Requirement
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4.1	Support for additional area of RFP Process	RFP Process	Full Assessment in target area	Verification Record update
4.2	Remove claim for supported area of RFP Process	RFP Process	None	Verification Record update
4.3	Change in Business Practice Management	RFP Process	None	Verification Record update
4.4	Administrative Changes	All	None	Conformance Statement update
4.5	Other Variants	RFP Process	As determined by Certification and Verification Authority	As determined by Certification and Verification Authority

4.1 Support for additional area of RFP Process

An Organization may update their RFP Process verification to reflect support for an additional area of the RFP Process Best Practice. The Organization will be required to submit a questionnaire and supporting documentation for the specified area subject to the process defined in Section 3.1.

Upon successful completion of the assessment process, the Certification and Verification Authority will then update the verification registration information and Conformance Statement to reflect the additional area.

4.2 Remove claim for supported area of RFP Process

If an Organization is no longer fully conforming to a particular area of the RFP Process for which the Organization has been verified, the Organization may wish to remove the claim of support for that area. An Organization may wish to do this in order to not jeopardize the verification of the remaining areas of the RFP Process for which the Organization is still conformant.

To remove the claim of support for a previously verified area, the Organization must notify the Certification and Verification Authority in writing (via email). The Certification and Verification Authority will update the Conformance Statement to remove support for the specified area. In order to be re-verified in the future for the removed area, the Organization must follow the process defined in Section 4.1.

4.3 Change in Business Practice Management

A change in Business Practice Management is a change in any of the named individuals responsible for the day-to-day operation of the verified Business Practice.

To maintain verification for the Business Practice, the Organization must notify the Certification and Verification Authority of the change in Business Practice Management within 30 calendar days of such change occurring.

Each new Business Practice Manager must provide a written commitment to the Certification and Verification Authority indicating that he/she understands the Conformance Requirements to which the Organization is verified and agrees to comply with these requirements for the duration of the current verification and any subsequent renewals.

The Certification and Verification Authority will then update the verification registration information and Conformance Statement as applicable.

4.4 Administrative Changes

If an Organization wishes to make changes to the Conformance Statement that do not have a material affect on the conformance of the Business Practice, the Organization must notify the Certification and Verification Authority in writing (via email) within 30 calendar days of such change occurring. The Certification and Verification Authority will update the Conformance Statement to reflect the requested changes.

For other administrative changes, such as those to the designated verification contacts, an Organization may request such changes at any time by sending an email to the Certification and Verification Authority.

4.5 Other Variants

Except where specifically stated in this document, any other change to any of the elements upon which a Business Practice's verification was based must be communicated to the Certification and Verification Authority in writing (via email) within 30 calendar days of such change occurring. If the Certification and Verification Authority believes that the change may have a material affect on the conformance of the Business Practice, the Business Practice will be subject to the full validation and verification process, or any subset thereof, as deemed appropriate by the Certification and Verification Authority.

5. Renewal

5.1 Duration of Verification

Verification is valid for a specific period of time from the date at which the Certification and Verification Authority provides written notice to the Organization that verification has been achieved, unless verification is subsequently revoked. This period is subject to the Verification Requirements for Modifications of a Verified Entity defined in Section 4.

The duration of verification for specific Verified Entities is as follows:

Verified Entity	Duration of Verification
RFP Process	Two (2) years
RFP Standard Template	Three (3) years

For RFP Process verification, the last day of this period is referred to as the renewal date and represents the date on which the verification will cease to be valid, unless the Organization renews the verification.

As RFP Standard Template verification is for a specific RFP, the last day of this period is referred to as the expiry date and represents the date on which the verification of the RFP expires and will be removed from the register.

5.2 Renewal Process

The renewal process applies only to RFP Process verification.

An Organization with a Verified RFP Process is required to renew the verification every two years. Renewal will be performed in accordance with the renewal process defined in Section 9 of the NSI general Certification/Verification Policy document.

Whether renewal requires revalidation or not is dependent upon whether or not the Organization has worked on or issued an RFP during the previous two years, any changes in the Organization's business practice for the RFP, changes in the validation methodology, and any Interpretations that have been granted since the previous verification. Thus, at the time of renewal, the Certification and Verification Authority will evaluate the effect of any such changes and based on the evaluation will define the requirements for renewal, including whether revalidation is required.

If revalidation is required, the Certification and Verification Authority will notify the Organization of the specific requirements. If revalidation is not required, the only requirement on the Organization is to register for renewal and pay the renewal fee.