



CORPORATE HEADQUARTERS

9200 SE Sunnybrook Blvd. Ste. 300
Clackamas, OR 97015
Tel: (503) 513-9979
Fax: (503) 513-4600

3/26/2024

Kathy Leary
City Administrator
City of Gustavus
P.O. Box 1
Gustavus, AK 99826

**Reference: City of Gustavus - Risk Assessment
Project ID: 202308-96644**

Dear Kathy:

Structured Communication Systems, Inc. is pleased to present this Statement of Work for your review, approval and signature. Our Engineer, Rob Wayt, has prepared this Statement of Work to describe the risk assessment project.

For your convenience, we have provided a checklist of the items required to execute this Statement of Work.

Statement of Work _____ (to be signed and returned in its entirety)
Customer Purchase Order _____ (City of Gustavus provided)

Please complete and fax the documents noted above to:

Danny Maxwell
Structured Communication Systems, Inc.
Office (907) 222-6140
Order Fax (888) 729-0997

We appreciate the opportunity to submit this proposal and look forward to working with you. Please call me if you have any questions.

Sincerely,

Danny Maxwell
Director, Alaska Sales

Structured Communication Systems, Inc.

Statement of Work

For

City of Gustavus - Risk Assessment

Project ID: 202308-96644

Fixed Bid Project

Revision 1.1

3/26/2024

Provided by: Structured Communication Systems'
GRC Practice

Table of Contents

Contents

1	Confidentiality Agreement.....	4
2	Description of Scope and Professional Services.....	4
3	Structured Deliverables.....	5
4	City of Gustavus Deliverables	5
5	General Project Assumptions.....	6
6	Change Control and Cancellations	6
6.1	Change Control	6
6.2	Cancellation	7
7	Professional Service Scheduling and Fees.....	7
7.1	Initiation of Work and Scheduling.....	7
7.2	Staff and Credentials.....	7
7.3	Consulting Charges.....	7
7.4	Travel & Expenses	8
7.5	Invoice Instructions.....	8

Client: Kathy Leary, City Administrator
City of Gustavus
P.O. Box 1
Gustavus, AK 99826
Tel: (907) 697-2451
E-mail: administrator@gustavus-ak.gov

Provider: Danny Maxwell
Director, Alaska Sales
Tel: (907) 222-6140
Order Fax: (888) 729-0997
E-mail: dmaxwell@structured.com

1 Confidentiality Agreement

This Statement of Work contains information from Structured Communication Systems, Inc, that is confidential and privileged. The information is intended for the private use of City of Gustavus in evaluating Professional Services partners. By accepting this Statement of Work, you agree to keep the contents of this document in confidence and not copy, disclose, or distribute without written request to and written confirmation from Structured Communication Systems, Inc. If you are not the intended recipient, be aware any disclosure, copying, or distribution of the contents of this document is prohibited.

2 Description of Scope and Professional Services

Based upon discussions held between City of Gustavus and Structured Communication Systems, Inc. ("Structured"), City of Gustavus wishes to engage Structured to perform an enterprise cybersecurity risk assessment.

The Risk Assessment will include:

- Interviews with key IT and security staff members
- Review of policy, procedures, and operations
- Identification of assets, threats, and vulnerabilities
- Inventory of risk and existing controls
- Risk calculation and prioritization
- Recommended treatment including cost versus risk

Structured will format the risk assessment report into four categories:

Business processes and IT systems

Structured will interview key staff members and process owners to verify the operation and data flow of systems that process, store, and transmit credit card, PII, and other sensitive information. A formal review of security policies, PCI, HIPAA, and CJIS compliance status, technical configurations, and operational procedures will be performed in order to proactively map out the current security posture.

Assets, threats, and vulnerabilities

Structured will identify key assets involved with PCI, HIPAA, and CJIS, and document the safeguards currently in place to protect them. These assets include personnel, IT systems, network infrastructure, and data processes.

Threats from avenues of attack, including both including and external to the organization, will be identified pertaining to those assets and data sets. These include intentional or unintentional disclosure, physical mechanisms, and those specific to IT systems. Vulnerabilities to the listed threats will be documented to show how weaknesses can be exploited.

Risk

Structured will categorize the risks to overall security and compliance. Risks will be calculated semi-quantitatively based on the type of risk, the impact and rates of occurrence. These risks will then be ranked and prioritized as a clear roadmap to treatment.

Recommended treatment

Structured will provide recommendations for controls to be implemented for each identified risk on the prioritized list. The controls will include methods for risk reduction, transference to another entity, elimination, or acceptance. These recommendations will be in compliance with PCI DSS, HIPAA, and CJIS.

Any services, tasks or other responsibilities not specifically identified within this document are out of scope.

3 Structured Deliverables

Structured will provide the Deliverables listed below to City of Gustavus during and upon completion of the project. City of Gustavus's acceptance of all listed Deliverables will complete Structured's responsibility for this project. To indicate acceptance, City of Gustavus will sign the Deliverable Acceptance Form.

Risk Assessment Report - The Risk Assessment Report contains the complete findings of the assessment in PDF format to include:

- Executive summary that identifies and prioritizes the risk to IT systems and data
- Scope and process identification
- Lists of assets, threats, and vulnerabilities
- Detailed report on risk inventory and existing controls
- Risk calculations and priorities
- Recommended controls prioritized for remediation

Presentation via Conference Call- The presentation offers an overview and interpretation of the findings, with a Question and Answer session, and an interactive planning discussion for remediation steps.

4 City of Gustavus Deliverables

City of Gustavus will provide the following to Structured in order to ensure a successful implementation. Delay in providing these requirements will impact Structured's ability to complete this project in a timely manner.

1. Provide network topology and drawings, policies, procedures, and other required documentation
2. Access to systems administrators and technical staff for interview and system validation
3. System configurations for servers and network equipment
4. A workspace to perform interviews and assessments if assessor will be onsite.
5. A dedicated point of contact for the duration of the engagement

5 General Project Assumptions

Successful completion of this engagement is contingent upon City of Gustavus's performance of its responsibilities and the accuracy of the assumptions set out below. To the extent (i) City of Gustavus fails to meet its obligations under this Statement of Work or (ii) the assumptions identified below are not accurate, timelines and milestone dates shall be reasonably adjusted and any additional services required as a result will be billed to, and paid for by, City of Gustavus at Structured's standard rates on a time and materials basis, unless otherwise agreed by the parties.

- Structured Consultant(s) will have adequate administrative access and connectivity to perform the tasks required for the project.
- Existing relevant documentation, diagrams, and/or interviews with key staff will be provided by City of Gustavus to ensure timely delivery of product.
- City of Gustavus will provide the necessary resources (equipment, staff) required for all deliverables.
- All communications, which affect the technical aspects of the project, must be directed through the Structured Project Manager.
- Any additional labor or materials requested by City of Gustavus, not included in the scope of this Statement of Work will constitute a Change Request.
- Adequate staffing and project management is included in this response. If City of Gustavus unexpectedly accelerates the stated time line in their request, a Change Order may be generated to cover additional staffing or overtime to meet the new deadlines.
- Any work beyond that stated in this Statement of Work must be mutually agreed to by City of Gustavus and Structured and will be performed at the standard hourly rate.
- Any on-site skill transfer supplements, but does not replace, the manufacturer's formal system implementation and administration classes.
- No formal end user training is included in this Statement of Work. Formal end user training is available from vendor authorized training centers for an additional cost.
- City of Gustavus will provide timely management decisions, approvals and acceptances as reasonably requested by Structured.
- City of Gustavus will provide assistance as reasonably requested by Structured to obtain timely services and cooperation from any third party providers that are providing products or services to City of Gustavus that are related to, interact with, or are necessary for the Services.
- City of Gustavus will appoint a single project manager to operate as the day-to-day point of contact and management decision-maker for this project.

6 Change Control and Cancellations

6.1 Change Control

Both Structured and City of Gustavus must approve any changes to the schedule, tasks, deliverables, terms, or pricing presented in this document. To request a change, the requesting party (Structured or City of Gustavus) must provide a Change Order to the other party in writing. The Structured Project Manager will review the Change Order and its impact on the project. If both parties agree to the Change Order, the Project Manager will incorporate the change into the project plan and manage the change accordingly.

6.2 Cancellation

City of Gustavus will make all reasonable efforts to notify Structured of any cancellation or postponement of the services to be performed under this Statement of Work. If City of Gustavus does not notify Structured of the cancellation of a mutually agreed upon service appointment, then Structured will charge a cancellation fee equal to a minimum of two (2) hours of the prevailing standard hourly rate. Cancellation shall not relieve City of Gustavus’s obligation to pay all fees and expenses that have accrued due to preparation for the service.

7 Professional Service Scheduling and Fees

7.1 Initiation of Work and Scheduling

Once Structured has received a signed Statement of Work, Structured will identify the staffing for this project within two weeks. Project staffing and activities will be scheduled based upon the date the signed Statement of Work is received by Structured. Structured staff will work with City of Gustavus to determine the project schedule and estimated completion date.

7.2 Staff and Credentials

The Structured staff consists of consultants with a broad range of practical engineering backgrounds and expertise. Structured will draw upon this extensive pool of engineering talent to meet the diverse technical requirements of today’s complex network and server environments. Structured will determine the appropriate staff to assign to the project based upon the requirements of the engagement and the experience, skills and availability of the Structured engineering staff. Structured is uniquely qualified to undertake this project because of Structured’s extensive experience designing, implementing, and optimizing complex networks in the distributed, multi-protocol computing environment.

7.3 Consulting Charges

Consulting charges are set based on the project as defined in this Statement of Work. The services as defined in this Statement of work are covered in the Fix Bid pricing for the project. Consulting charges are set based on the project as defined in this Statement of Work. Should the scope of the engagement go outside the contents of this Statement of Work and require additional consulting hours, these hours will be billed on an hourly basis to City of Gustavus at the rate of \$250 per standard business hour. Any items that fall outside the scope of this project should be reviewed and agreed to with a written Change Order signed by Structured and City of Gustavus prior to starting the additional work.

Professional Services Description	List Price	Est. Cost
Risk Assessment and Report	<u>\$250/Hr.</u>	\$10,000.00
Travel	<u>\$2,000</u>	<u>\$2,000.00</u>
Fix Bid Project Cost		<u>\$12,000.00</u>

7.4 Travel & Expenses

The consulting costs are exclusive of any required Travel and Expense charges. City of Gustavus will be billed for the actual and reasonable expenses incurred for agreed upon events. If City of Gustavus wants Structured to follow certain travel expense guidelines, these guidelines must be provided prior to the time travel arrangements are made. Structured will review these proposed guidelines and make reasonable effort to adhere to them as long as they are not in conflict with Structured's travel policies.

7.5 Invoice Instructions

As a Fixed Bid project an invoice for Professional Services described in this Statement of Work will be sent to City of Gustavus after the milestones detailed below are achieved. Commencement of a project may occur prior to the arrival of Structured's personnel at the customer's location due to planning and preparation activities

Milestones for billing:	Percentage of Payment
Draft Report Delivery	100%

City of Gustavus instructs Structured to submit the invoice and accompanying documentation to:

Name		Copy to:
Address		
Phone		
Fax		
Purchase Order #		

- Prices are valid for 30 days from the date of this Statement of Work.
- City of Gustavus representative signature below hereby attests and acknowledges that in the event that his/her company does not issue a Purchase Order prior to commencement of the service listed herein, this Agreement shall serve as the Purchase Order for this effort
- Client identified in this statement of work acknowledges and agrees that by signing this statement of work or issuing a purchase order referencing this statement of work that such statement of work will be subject to the Structured Standard Terms and Conditions, which can be found at: <http://www.structured.com/terms/>

Accepted and Agreed to by:

for
City of Gustavus

for
Structured Communication Systems, Inc.

Signature of Authorized Signatory

Signature of Authorized Signatory

Printed Name of Signatory

Printed Name of Signatory

Title

Title

Date

Date