

Commonwealth of Virginia



Request for Sealed Proposals

Title: Enhanced Customer Service System

Due Date: April 29, 2022

Contact Information:

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Request for Proposals (RFP) #: PR6874PM

RFP Issue Date: March 16, 2022

Contract Term: Implementation + 2-year Initial Term with two (2) 2-year Renewals

Proposal Due Date and Time: April 29, 2022; 3:00 PM EST

The Virginia Lottery does not discriminate against faith-based organizations or against an Offeror because of race, religion, color, sex, national origin, age, disability or any other basis prohibited by state law relating to discrimination in employment. The Virginia Lottery encourages firms to provide for the participation of small businesses and businesses owned by minorities and women through partnerships, joint ventures and subcontracting opportunities.

Complete Legal Name of Offeror's Firm: _____

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I. **PURPOSE:**

The Virginia Lottery (“Lottery”) is seeking proposals from qualified companies that can offer an enhanced customer service system to further support the Lottery’s ability to document, manage, and respond to customers and address their issues.

II. **BACKGROUND:**

Players currently interact with the Lottery through in-person, phone calls, emails, and their online player accounts at www.valottery.com. We currently do not offer self-service or chat options. For inquiries related to iLottery, these inquiries are routed to the Lottery’s third-party vendor, NeoPollard Interactive, LLC (“NPI”). There is no standardized methodology for retrieving and sharing daily, weekly, and monthly data between Customer Service, the Help Desk, Public Affairs & Community Relations (“PACR”), Sales, or Marketing teams. Both the Lottery’s internal helpdesk and individualized Customer Service Centers (“CSCs”) receive player calls. There is no mechanism to track the call, identify if there was a proper resolution or provide any reporting. It is the Lottery’s desire to have an internal solution to enhance our customer service capabilities and improve the player experience during interactions with the Lottery. The goal is to introduce features such as contact management, client interaction tracking, automated intelligence call deflection, customer self-service portals, and suggestive sales prompts using predictive analytics.

The Lottery uses the Microsoft stack of technologies for systems, development, and integrations. Additional details are available upon request.

Additionally, all technical solutions will be evaluated by an internal Security and IT Architecture Review Board (“STAR”), which provides governance for implementing new technology solutions, and Offerors may be required to submit architectural documentation. The required level of conformity to the Lottery’s Microsoft technologies will be dependent upon the degree of application and data integrations and customizations necessary. The Lottery uses a scrum agile framework to prioritize work. Additionally, any development work completed by the awarded Offeror must follow the Lottery’s change control and production release procedures.

III. **STATEMENT OF NEEDS:**

Offeror shall have the ability to provide and implement an enhanced customer service system. Specific requirements are listed below.

1. **Business Requirements**

- a. The system shall be able to support omni-channel communication based on the player’s preferred method of contact, such as website, chat, smartphone app, voice, etc.
- b. The system shall automatically reveal player profile when player calls (if the phone number is on file) to enable call agent to see previous topics player has called in for.
- c. The system shall create a record of the call and allow the user to save the call details to the main record.

- d. The system shall be capable of generating a view of customer profiles, revealing reason for incident reporting and documenting player questions/issues with the Lottery's portfolio of games.
- e. The system shall have the ability to provide advanced internal and external analytics, modeling, and reporting.
- f. System training shall allow all departments access to the same information and enhance the ability of Lottery staff to address a customer's needs regardless of content type.
- g. From a player profile, analysis of historical player activity could create opportunities to present beneficial information to the player.
- h. System shall streamline call handling workflow, data collection, incident reporting, and player status updates.
- i. System shall implement uniform methods for customer service data retrieval and access.
- j. System shall assist the Lottery in developing and maintaining a self-service portal for routine information and FAQs.
- k. The system shall introduce live chat and offline chatbots and other call deflection methods to reduce dependency on speaking with a live person over the phone.
- l. The system shall provide Lottery staff with the ability to chat with multiple callers simultaneously.
- m. Consolidation of duplicate records must be handled periodically.
- n. The system shall allow users to mark if the issue was resolved or not. If not resolved, there shall be an automated reminder sent to the supervisor/manager to have issue resolved within a specified number of days, as determined by the Lottery.
- o. System shall contain case management workflow processes to include transitioning an inquiry to a different department/user, two-way notification and transitioning a call to NPI or other third party.
- p. The system shall show a view of all interactions, to include historical data, so the user can see all previous issues the player may have had. Full view shall include incident summary details.
- q. The system shall allow for regular feeds into the Lottery's Enterprise Data Warehouse ("EDW") by account record to fulfill the single customer view and be indexed by player ID.
- r. The system shall provide users with basic information on player submitted entries for extra chances and 2nd chance promotions along with basic promotion details.
- s. Web, email, mobile app player inquiries shall be routed to customer service first for fielding a response. If unable to answer, proper logging shall be utilized to capture player question and route accordingly. This procedure shall include retailer and corporate account inquiries.
- t. The system shall have predictive analytic capabilities for future use.
- u. The system shall allow for internal and external users to create and search knowledge articles.
- v. The system shall allow transfer of a person from an online chat to a call agent.

- w. The system shall provide a centralized repository of user developed content that addresses common questions in the form of a searchable knowledge base.
- x. The system shall allow for knowledge article sorting to indicate relevance.
- y. The system shall include a case management component which will include a customizable form for users to populate with ticket problem information. System shall provide a unique case number for each entry.
- z. System shall include the ability for the Lottery to design different screen entry forms for both retailer and consumer inquiries.

2. **Functional Requirements**

- a. The system shall have a call management function to log all incoming telephone calls and transactions and shall manage the transaction from initiation to closure.
- b. The system shall accommodate all types of customer contact to include voice (e.g., telephone, interactive voice response (“IVR”), speech recognition, voice verification, etc.), the Web, fax, video kiosks, and e-mail and shall offer internet-based customer service suites - also known as e-service suites.
- c. The system shall allow for web chat.
- d. The system shall allow for feedback from customers (i.e., surveys).
- e. The system shall track the volume, type, reason, status, and performance of customer interactions (case management) for performance metrics.
- f. The system shall provide the ability to import, export, and utilize data from external sources (ability to see extra chance entries, Game Room account information, email addresses).
- g. The system shall store communication/interaction history; records retention and purge criteria as defined by the Lottery.
- h. The system shall provide the ability to search communication/interaction history.
- i. The system shall store an audit trail of each case that is created in the system.
- j. The system shall be able to distinguish between different types of customer calls (e.g., players, retailers, etc.) with different screens.
- k. The system shall have the ability to create custom input screens and provide a unique transaction ID number to track specific types of incidents – for example, Ticket Problem Reports from retailers. This unique number shall be input into the Lottery’s financial system for audit purposes.
- l. The system shall provide tools for automating data import and export.
- m. The system shall log an audit trail of creations, updates, and deletions for changes to profiles; should have security/logic to prevent some data from being updated other than by the account owner (e.g., player), criteria to be defined.
- n. The system shall identify the caller or web user from the existing profiles or prompt the user to create a new profile.

- o. The system shall create inbound cases from multiple channels (phone, email, in person, text, chat, social media).
- p. The system shall have the ability to combine profiles if duplicates get established. Hierarchy to be established.
- q. Multichannel management integration with customers for single point of contact.
- r. The system shall track when a call/issue needs to be escalated. Once the issue is resolved, it shall be noted.
- s. The system shall allow the user to add case notes to a case. Case Notes should automatically log the user date/time stamp.
- t. The system shall allow the user to take ownership of the case and store attachments with the case.
- u. The system shall provide customizable case types, with the ability to assign each by type with priority level, along with further splitting cases into parent and child cases.
- v. The system shall allow for display of data from the enterprise data warehouse ("EDW").
- w. The system shall be capable of completing workflow for a case utilizing configured workflows in real-time based on business rules.
- x. The system shall provide routing options according to the preferred spoken language.
- y. The system shall enable creation of multiple profile types: e.g., player or retailer.
- z. The system shall enable the capture of demographic information for all profile types. This information may be different based on the profile type and include name, social security number, email address, mailing address, phone number, date of birth, preferred language. Personally identifiable information shall be blocked from general user view.
- aa. The system shall enable the capture of contact preferences for all profile types. The data points may be different based on the profile type.
- bb. The system shall provide the ability to flexibly define profile hierarchies.
- cc. The system shall provide the ability to capture multiple contacts for each profile and associate a "type" with each contact.
- dd. The system shall allow the user to maintain the profiles for future use.
- ee. The system shall provide the ability to maintain custom attributes in the profile in addition to enabling the user to define and add custom profile attributes over time.
- ff. The system shall enable the user to modify the attributes collected for a profile over time and can implement progressive profile building.
- gg. The system shall link the profile to interaction history and to current and/or historical cases.
- hh. The system shall provide the ability to view created profiles and data from the profile.
- ii. The system shall enable managers to create custom reports that provide insight into team performance, resolution time, customer satisfaction, and other vital indicators.

- jj. The system shall provide a method for flagging profiles that are associated with an open Security case.
- kk. The system should create and distribute customer service survey responses to the profile level or in aggregate.
- ll. The system shall enable the user to create templates/forms under the parent profile.
- mm. The system shall have timed notifications on workflows and distribute notifications via email and upon login.
- nn. The system shall enable the user to send one-way email notifications with a copy to the user's email application mailbox. Customer reply should be sent directly to the user's email address and not the system.

3. **Optional Capabilities**

- a. If determined to be feasible, the system may be integrated with other current Lottery business partners [NPI, IGT Global Communications ("IGT") and Listrak] as sources of additional data. Standardization of systems with both in-house systems and business partners via Application Programming Interfaces ("API") shall be explored.
- b. Automation like a chat box or online knowledge base that answers questions.
- c. A solution that uses Artificial Intelligence ("AI")/Automation to provide answers before an actual person does.
- d. System provides basic access to claims data for player inquiries. For example, information on the status of a player's claim in the claims process and if additional information is needed to complete the claim (this would pertain to digital and traditional claims).

4. **Non-functional Requirement**

- a. If applicable, the system shall comply with the Commonwealth's Security Standard SEC 525 (Hosted Environment Information Security Standard), https://www.vita.virginia.gov/media/vitavirginiagov/it-governance/psgs/pdf/SEC525_Hosted_Environment_Information_Security_Standard.pdf. Note: The spaces appearing in front of Hosted, Environment, Information, Security and Standard in the hyperlink are underscores. This standard defines the baseline for information security and risk management activities associated with Commonwealth data stored in a data center not owned or leased by the Commonwealth of Virginia.
- b. Offerors shall have the ability to conform to the Lottery's technology environment. A copy of the Lottery's technology environment can be requested and provided on an individual basis.

5. **Implementation**

Offeror shall have the ability to implement their system for Lottery use as well as provide comprehensive training on the system to Lottery employees. Manuals/reference guides, webinars, etc. would be beneficial resources for use by the Lottery.

6. **Maintenance and Technical Development**

Offeror shall have the ability to provide system maintenance which shall include, but is not limited to, problem resolution, technical troubleshooting, additional training and providing updates as they are released.

a. Offeror shall have the ability to provide the following labor categories for future technical development. These categories are suggestions, and an Offeror may propose different and/or additional labor categories as it relates to their proposal.

1) Functional Lead/Specialist

- Ability to gather Lottery requirements and/or questions and develop functional requirements for implementation
- Ability to identify and analyze issues and provide resolutions
- Ability to provide functional support to include but not be limited to configurations, application support, meeting business needs
- Ability to assist with testing and validating system changes as necessary
- Ability to develop training materials as requested by the Lottery

2) Lead Developer/Developer

- Ability to provide technical support to include but not be limited to debugging, patching, upgrades, and application/database performance
- Ability to create technical documentation as requested by the Lottery
- Ability to create technical designs to meet Lottery business requirements
- Ability to identify and analyze issues and provide resolutions
- Ability to make technical customizations, configuration changes and recommendations as requested by the Lottery
- Ability to edit, modify, or create new application code

IV. **PROPOSAL PREPARATION AND SUBMISSION REQUIREMENTS:**

A. **GENERAL REQUIREMENTS:**

1. RFP Response:

a. In order to be considered for selection, Offerors must submit a complete response to this RFP. One (1) original and nine (9) copies of each proposal must be submitted to the Lottery. Each hardcopy proposal must also contain an electronic version of the complete proposal on a jump drive. Only one (1) electronic

version of the complete proposal with any proprietary information removed is required. Proprietary information is detailed in section 2.d. below.

- b. No other distribution of the proposal shall be made by the Offeror.
- c. Offeror is requested to respond to each section/subsection in the order in which it appears in the RFP.

2. Proposal Preparation:

- a. Proposals shall be signed by an authorized representative of the Offeror.
- b. Failure to submit all information requested may result in the Evaluation Team giving a lowered evaluation score of the proposal.
- c. An explanation describing how the Offeror will accomplish each requirement must be included in its proposal. The phrase "fully comply" without an explanation is unacceptable. If a requirement is not being provided, state "Not Provided." Proposals, which are substantially incomplete or lack key information, may be rejected by the Lottery.
- d. Ownership of all data, materials and documentation originated and prepared for the Lottery pursuant to the RFP shall belong exclusively to the Lottery and be subject to public inspection in accordance with the Virginia Freedom of Information Act. Trade secrets or proprietary information submitted by an Offeror shall not be subject to public disclosure under the Virginia Freedom of Information Act; however, the Offeror must invoke the protections of §2.2-4342 of the *Code of Virginia*, in writing, either before or at the time the data or other material is submitted. The written notice must specifically identify the data or materials to be protected and state the reasons why protection is necessary. The proprietary or trade secret material submitted must be identified by some distinct method such as **highlighting** or underlining and must indicate only the specific words, figures, or paragraphs that constitute trade secret or proprietary information. The classification of an entire proposal document, line-item prices and/or total proposal prices as proprietary or trade secrets is not acceptable and will result in rejection of the proposal.

- 3. Oral Presentation: Offerors who submit a proposal in response to this RFP may be required to give an oral presentation to the Evaluation Team. This provides an opportunity for the Offeror to clarify or elaborate on the proposal.

B. SPECIFIC PROPOSAL REQUIREMENTS:

Proposals shall be as thorough and detailed as possible so that the Lottery may properly evaluate Offeror's capabilities to provide the required services. In

addition to any other requirements imposed by Section III of this Request for Proposals, Offerors are required to submit the following items as a complete proposal:

1. Offeror shall include a proprietary information table which indicates the page number(s) containing proprietary information.

Page Number	Section/Title	Reason(s) for Withholding from Disclosure

2. Offeror shall return any addenda, if any, signed and filled out as required. Also, include a current Commonwealth of Virginia (“COVA”) W-9 with your proposal (attachment included with solicitation).
3. Offeror shall provide the following information concerning background and management:
 - a. Experience – a brief description of Offeror’s company and a company history. Include an organizational chart identifying names and positions of persons that will work on the Lottery account. If subcontractors shall be utilized, those companies shall also need to be detailed in the response.
 - b. Experience in creating a system similar in function to the Lottery - indicate if current or past client, scope of services provided, and relevance to RFP requirements.
4. Offeror shall detail all functionality requirements, non-functional requirement, business requirements and optional capabilities offered within the system as required in Section III. Statement of Needs, pages 4 - 9.
5. Offeror shall provide its methodology for system development to include, but not be limited to, schedule, timeline for implementation, milestones, Lottery involvement, integrations with third party providers, testing, quality control, reporting, post-implementation support, etc.
6. Offeror shall detail any optional features the Lottery would be interested in above the required functionality requested. *
7. Offeror shall provide all reporting available as referenced throughout Section III. Statement of Needs, pages 4 - 9.
8. Populate the table below to show Offeror’s plans for utilization of Department of Small Business and Supplier Diversity (“DSBSD”)

certified small businesses in the performance of this Contract. This shall not exclude DSBSD-certified women-owned and minority-owned businesses when they have received the DSBSD small business certification. Include plans to utilize small businesses as part of joint ventures, partnerships, subcontractors, suppliers, etc. Additional pages may be added as necessary using the format shown below.

Offerors may find a list of registered SWaM companies by contacting DSBSD or visiting <https://www.sbsd.virginia.gov/certification-division/swam/>. Please note: The Lottery only recognizes businesses certified by DSBSD as SWaM.

Small business name, address, and DSBSD Certificate #	Status if small business is also women (W) and/or minority (M)	Contact person, telephone & email address	Types of goods and/or services	Planned involvement during initial Contract period	Planned Contract dollars during initial Contract period
DSBSD Cert. #					\$ _____
DSBSD Cert. #					\$ _____
DSBSD Cert. #					\$ _____
DSBSD Cert. #					\$ _____
Total \$					\$ _____

*Optional features may be used for evaluation purposes after initial scoring has been completed, if the Lottery determines proposed options are in its best interest.

C. RFP QUESTIONS AND PROCUREMENT TIMELINE:

1. Offerors can submit questions via email to the Contract Officer whose name appears on the cover page of this solicitation. All contact, whether verbal or written, pertaining to this RFP, shall be with that designated Contract Officer for the duration of the procurement process.

The Lottery does not guarantee a response to any questions received after April 13, 2022.

2. The following procurement timeline is subject to change as the procurement progresses. Please note the deadline within which to submit questions.

Procurement Process	Estimated Completion Dates
RFP issued	March 16, 2022
1 st round of questions due	March 25, 2022
Addendum issued (if necessary)	March 31, 2022
2 nd round of questions due	April 7, 2022
Addendum issued (if necessary)	April 13, 2022
RFP due date	April 29, 2022
Tentative award of Contract	August 30, 2022

V. **EVALUATION AND AWARD CRITERIA:**

A. **EVALUATION CRITERIA:**

The Virginia Lottery seeks to Contract for the goods and/or services described herein with the responding Offeror who submits the best proposal as modified through negotiations. The written proposals, and any subsequent negotiated offers, will be evaluated and judged by the Lottery based on the following criteria and associated point values:

1. Functionality, 30 points
2. Methodology, 20 points
3. Reporting, 10 points
4. Offeror's Experience, 10 points
5. Price, 20 points
6. Minority-owned, women-owned and small business participation, 10 points

*Optional features may be used for evaluation purposes after initial scoring has been completed, if the Lottery determines proposed options are in its best interest.

B. **AWARD OF CONTRACT:**

Two or more Offerors deemed to be fully qualified and best suited among those submitting proposals will be identified on the basis of the evaluation factors stated herein. Negotiations may be conducted with the Offerors so selected. After negotiations have been conducted with each Offeror so

selected, the Virginia Lottery may select the Offeror(s) who, in its opinion, has made the best proposal, and award the Contract to that Offeror(s). The Virginia Lottery may cancel this RFP or reject proposals at any time prior to the award and is not required to furnish a statement of the reasons why a particular proposal was not deemed to be the most advantageous. Should it be determined in writing that only one Offeror is fully qualified, or that one Offeror is clearly more highly qualified than the others under consideration, a Contract may be negotiated and awarded to that Offeror.

VI. **SPECIAL TERMS AND CONDITIONS:**

NOTE: An Offeror's request to remove or modify a Special Term and Condition within the RFP does not guarantee the Lottery's acceptance of the Special Term and Condition.

A. **ADVERTISING:**

In the event a Contract is awarded for supplies, equipment, or services resulting from this solicitation, no indication of such sales or services to the Lottery shall be used in product literature or advertising without the Lottery Executive Director's prior written approval. The Contractor shall not state in any of its advertising or product literature that the Lottery has purchased or uses its products or services.

B. **AUDIT:**

The Contractor shall retain all books, records, and other documents relative to this Contract for five (5) years after final payment, or until audited by the Commonwealth of Virginia, whichever is sooner. The Lottery, its authorized agents, and/or state auditors shall have full access to and the right to examine any of said materials during said period.

C. **CANCELLATION OF CONTRACT:**

The Lottery reserves the right to cancel and terminate any resulting Contract, in part or in whole, without penalty, upon 60 days written notice to the Contractor. In the event of a material breach with no options to cure, the Lottery reserves the right to cancel this Contract within ten (10) days written notice. If the initial Contract period is for more than 12 months, the resulting Contract may be terminated by either party, without penalty, after the initial 12 months of the Contract period upon 60 days written notice to the other party. Any Contract cancellation notice shall not relieve the Contractor of the obligation to deliver and/or perform on all outstanding orders issued prior to the effective date of cancellation.

D. **CONFIDENTIALITY (CONTRACTOR):**

The Contractor assures that information and data obtained as to personal facts and circumstances related to clients will be collected and held confidential, during and following the term of this agreement, and will not be divulged without the individual's and the Lottery's written consent. Any information to be disclosed, except to the Lottery, must be in summary, statistical, or other form which does not identify particular individuals. Contractors and their employees working on this project will be required to sign the Confidentiality

statement in this solicitation.

E. **CONFIDENTIALITY (LOTTERY):**

The Lottery agrees that neither it nor its employees, representatives, or agents shall knowingly divulge any proprietary information with respect to the operation of the software, the technology embodied therein, or any other trade secret or proprietary information related thereto, except as specifically authorized by the Contractor in writing or as required by the Freedom of Information Act or similar law. It shall be the Contractor's responsibility to fully comply with § 2.2-4342F of the *Code of Virginia*. All trade secrets or proprietary information must be identified in writing or other tangible form and conspicuously labeled as "proprietary" either prior to or at the time of submission to the Lottery.

F. **CONFIDENTIALITY OF PERSONALLY IDENTIFIABLE INFORMATION:**

The Contractor assures that information and data obtained as to personally identifiable information and circumstances related to Lottery players/consumers, employees, retailers, vendors, applicants, and/or licensees will be collected and held confidential, during and following the term of this agreement, and will not be divulged without the individual's and the Lottery's written consent and only in accordance with federal law or the *Code of Virginia*. Contractors who utilize, access, or store personally identifiable information as part of the performance of a Contract are required to safeguard this information and immediately notify the Lottery of any breach or suspected breach in the security of such information. Contractors shall allow the Lottery to both participate in the investigation of incidents and exercise control over decisions regarding external reporting. Contractors and their employees working on this project may be required to sign a confidentiality statement.

G. **CONTINUITY OF SERVICES:**

The Contractor recognizes that the services under this Contract are vital to the Lottery and must be continued without interruption and that, upon Contract expiration, a successor, either the Lottery or another Contractor, may continue them. The Contractor agrees:

1. To exercise its best efforts and cooperation to affect an orderly and efficient transition to a successor;
2. To make all Lottery owned facilities, equipment, and data available to any successor at an appropriate time prior to the expiration of the Contract to facilitate transition to successor; and
3. That the Lottery Contracting Officer shall have final authority to resolve disputes related to the transition of the Contract from the Contractor to its successor.

The Contractor shall, upon written notice from the Contract Officer, furnish phase-in/phase-out services for up to 90 days after this Contract expires and shall negotiate in good faith a plan with the successor to execute the phase-in/phase-out services. This plan shall be subject to the Contract Officer's approval.

The Contractor shall be reimbursed for all reasonable, pre-approved phase-in/phase-out costs (i.e., costs incurred within the agreed period after Contract expiration that result from phase-in, phase-out operations) and a fee (profit) not to exceed a pro rata portion of the fee (profit) under this Contract. All phase-in/phase-out work fees must be approved by the Contract Officer in writing prior to commencement of said work.

H. **DISCOUNTS, PROMPT PAYMENT:**

Discounts for prompt payment will not be calculated in determining net low proposal. Discounts for prompt payment will be shown on the Contract and taken if invoices are processed and payment made within the stipulated time frame. If discounts are not offered, payment shall be made 30 days after receipt of an accurate invoice by the Lottery's Accounts Payable Department. Offeror shall indicate discount (if applicable) with the "Pricing section" near the end of this solicitation.

I. **FINAL INSPECTION:**

At the conclusion of the work, the Contractor shall demonstrate to the Lottery's representative(s) that the work is fully operational and in compliance with Contract specifications and codes. Any deficiencies shall be promptly and permanently corrected by the Contractor at the Contractor's sole expense prior to final acceptance of the work.

J. **IDENTIFICATION AND DELIVERY OF PROPOSAL:**

The cover page of this solicitation indicates proposals will be accepted as sealed. Sealed proposals must be received for this procurement enclosed in an envelope or package and identified as follows:

IF PROPOSAL IS MAILED: Offeror must mail proposal to the Virginia Lottery, Attention: 22nd Floor Purchasing Office, 600 East Main Street, Richmond, Virginia 23219. The proposal must be enclosed in an envelope or package and identified as follows:

Name of Offeror
Due Date and Time
Offeror's complete address
RFP No.
RFP Title

If a proposal is not identified as outlined above, the Offeror takes the risk that the proposal may be inadvertently opened and the information compromised, which may cause the proposal to be disqualified. No other correspondence or other proposals should be placed in the envelope.

IF PROPOSAL IS HAND DELIVERED (INCLUDING COURIER): Proposal must be delivered to 600 East Main Street, Richmond, Virginia 23219. Due to increased building security, an Offeror must only deliver a proposal to the Security Guard Station located on the **Main Street entrance** of the Lottery Headquarters, Main Street Centre (address above). **However, the Security**

Guard is not responsible for identifying the date and time a proposal is received; only a Lottery employee can make that determination. The Security Guard will contact an appropriate Lottery employee for proposal receipt; this process could take 30 minutes or more.

Late proposals will not be accepted.

Note: The Lottery does not conduct public openings.

K. **INDEMNIFICATION:**

Contractor agrees to indemnify and hold harmless the Commonwealth, the Lottery, their Board Members, officers, directors, agents and employees (collectively, "Commonwealth's Indemnified Parties") from and against any and all losses, damages, claims, demands, proceedings, suits and actions, including any related liabilities, obligations, losses, damages, assessments, fines, penalties (whether criminal or civil), judgments, settlements, expenses (including attorneys' and accountants' fees and disbursements) and costs (each, a "Claim" and collectively, "Claims"), incurred by, borne by or asserted against any of Commonwealth's Indemnified Parties to the extent such Claims in any way relate to, arise out of or result from: (i) any intentional or willful conduct or negligence of any employee, agent, or subcontractor of the Contractor, (ii) any act or omission of any employee, agent, or subcontractor of the Contractor, (iii) breach of any representation, warranty or covenant of the Contractor contained herein, (iv) any defect in the Contractor-provided products or services, or (v) any actual or alleged infringement or misappropriation of any third party's intellectual property rights by any of the Contractor-provided products or services. Selection and approval of counsel and approval of any settlement shall be accomplished in accordance with all applicable laws, rules and regulations. For state agencies, the applicable laws include §§ 2.2-510 and 2.2-514 of the Code of Virginia. In all cases involving the Commonwealth or state agencies, the selection and approval of counsel and approval of any settlement shall be satisfactory to the Commonwealth.

In the event that a Claim is commenced against any of Commonwealth's Indemnified Parties alleging that use of the Contractor-provided products or services, including any components thereof, or that the Contractor's performance or delivery of any product or service under this Contract infringes any third party's intellectual property rights and the Contractor is of the opinion that the allegations in such Claim in whole or in part are not covered by this indemnification provision, Contractor shall immediately notify the Lottery in writing, via certified mail, specifying to what extent the Contractor believes it is obligated to defend and indemnify under the terms and conditions of this Contract. The Contractor shall in such event protect the interests of the Commonwealth's Indemnified Parties and secure a continuance to permit the Lottery to appear and defend their interests in cooperation with the Contractor as is appropriate, including any jurisdictional defenses the Lottery may have.

In the event of a Claim pursuant to any actual or alleged infringement or

misappropriation of any third party's intellectual property rights by any of the Contractor-provided Deliverables, Products, Software, Services, Solution, including Solution Components, Application and Licensed Services, as applicable, or Contractor's performance, and in addition to all other obligations of the Contractor in this Section, the Contractor shall at its expense, either (a) procure for all Authorized Users the right to continue use of such infringing Deliverables, Products, Software, Services, Solution, including Solution Components, Application and Licensed Services, as applicable, or any component thereof; or (b) replace or modify such infringing Deliverables, Products, Software, Services, Solution, including Solution Components, Application and Licensed Services, as applicable, or any component thereof, with non-infringing Deliverables, Products, Software, Services, Solution or Solution Component(s), Application and Licensed Services, as applicable, satisfactory to the Lottery. And in addition, the Contractor shall provide the Lottery with a comparable temporary replacement product(s) and/or services or reimburse the Lottery for the reasonable costs incurred by the Lottery in obtaining an alternative product or service, in the event the Lottery cannot use the affected Deliverable, Product, Software, Services, Solution or Solution Component(s), Application and Licensed Services, as applicable, or any component thereof. If the Contractor cannot accomplish any of the foregoing within a reasonable time and at commercially reasonable rates, then the Contractor shall accept the return of the infringing Deliverables, Products, Software, Services, Solution, Solution Component, Application and Licensed Services, as applicable, or any component thereof, along with any other components rendered unusable by the Lottery as a result of the infringing component, and refund the price paid to the Contractor for such components.

L. **LIMITATION OF LIABILITY:**

To the maximum extent permitted by applicable law, the Contractor will not be liable under this Contract for an indirect, incidental, special or consequential damages, or damages from loss of profits, revenue, data or use of the supplies, equipment and/or services delivered under this Contract. This limitation of liability will not apply, however, to liability arising from: (a) personal injury or death; (b) defect or deficiency caused by willful misconduct or negligence on the part of the Contractor; or (c) circumstances where the Contract expressly provides a right to damages, indemnification or reimbursement.

M. **NOTICE OF MATERIAL LEGAL DISPUTE:**

Contractor shall notify the Lottery of its involvement in any legal dispute that is or may become material to this Contract. Contractor shall provide the Lottery with pertinent, non-privileged details upon request.

N. **PERFORMANCE, CONTRACTOR:**

Contractors providing goods and services to the Lottery are required to perform in accordance with the terms and conditions of their Contract. When contractual requirements are not met, the following actions may be taken (at the Lottery's option):

1. Contractor Complaint Form:
If a Contractor fails to perform in accordance with the terms and conditions of the Contract, the Lottery will prepare a Contractor Complaint Form and forward to the Purchasing Office. This form will be sent to the Contractor for a corrective action plan.
2. Default:
If the Contractor is non-responsive to the complaint form or does not satisfy the corrective action plan submitted in the complaint form or provides an unsatisfactory corrective plan as determined by the Lottery, the Contractor may, at the Lottery's discretion, be placed in default and notified via Contractor Complaint Form.
3. Ineligible for Award:
Once placed in default, the Contractor will be ineligible to do business with the Lottery for purchases exceeding \$10,000 for a period of **three (3) years**.
4. Re-procurement of Goods and Services:
In addition to a Contractor's ineligibility for award of programs over \$10,000, the Lottery may procure the goods and/or services from other sources and hold the Contractor responsible for the price difference of the original Contract amount and the amount of the new Contract. The Lottery will follow competitive principles as outline herein for the re-procurement.

The Contractor will remain in default until the re-procurement costs have been paid to the Lottery. The Contractor is still subject to the three (3) year ineligibility based on the default regardless as to when the re-procurement cost is paid.

5. Number of Complaints:
 - a) For Term Contracts: if the Contractor has received three (3) or more complaints within the initial Contract period as documented by Contractor Complaint Forms, the Contractor may, at the Lottery's discretion, be ineligible to submit a bid/proposal if the goods/services are re-solicited at expiration of Contract. Ineligibility shall apply even though a satisfactory resolution to all complaints occurred.
 - b) For a Renewal Period: if the Contractor has received three (3) or more complaints within a renewal period as documented by Contractor Complaint Forms, the Contractor may, at the Lottery's discretion, be ineligible to submit a bid/proposal if the goods/services are re-solicited at expiration of Contract. Ineligibility shall apply even though a satisfactory resolution to all complaints occurred.
 - c) For Spot Purchases: if the Contractor has received three (3) or more complaints within a period of one (1) year as documented by Contractor Complaint Forms, the

Contractor may, at the Lottery's discretion, be ineligible to do business with the Lottery for purchases exceeding \$10,000 for a period of one (1) year after the issuance of the third Contractor Complaint Form. Ineligibility shall apply even though a satisfactory resolution to all complaints occurred.

O. **PRIME CONTRACTOR RESPONSIBILITIES:**

The Contractor shall be responsible for completely supervising and directing the work under this Contract and all subcontractors that it may utilize, using its best skill and attention. Subcontractors that perform work under this Contract shall be responsible to the prime Contractor. The Contractor agrees that it is as fully responsible for the acts and omissions of its subcontractors and of persons employed by them as it is for the acts and omissions of its own employees.

P. **PRODUCT AVAILABILITY/SUBSTITUTION:**

Substitution of a product, brand or manufacturer after the award of Contract is expressly prohibited unless approved in writing by the Contact Officer. The Lottery may, at its discretion, require the Contractor to provide a substitute item of equivalent or better quality subject to the approval of the Contract Officer, for a price no greater than the Contract price, if the product for which the Contract was awarded becomes unavailable to the Contractor.

Q. **PRODUCT INFORMATION:**

The Offeror shall clearly and specifically identify the product being offered and enclose complete and detailed descriptive literature, catalog cuts and specifications with the proposal to enable the Lottery to determine if the product offered meets the requirements of the solicitation. Failure to do so may cause the proposal to be considered nonresponsive.

R. **REFERENCES:**

Offerors shall provide a list of at least three (3) references where similar goods and/or services have been provided. Each reference shall include the name of the organization, the complete mailing address, the name of the contact person, telephone number, and email address.

Organization:	
Contact Person:	
Address:	
Telephone:	
Email:	

Organization:	
Contact Person:	
Address:	
Telephone:	
Email:	

Organization:	
Contact Person:	
Address:	
Telephone:	
Email:	

S. **RENEGOTIATION OF CONTRACT**

The Lottery reserves the right, at any time during the Contract term or any renewals of the term, to renegotiate with the Contractor a reduction in the compensation paid to the Contractor that is less than the compensation initially agreed to by the Contractor and the Lottery at the time of Contract execution. The Lottery may initiate such negotiations whenever the Lottery determines that it is in the Lottery's best fiscal interests to do so. Notwithstanding any other provision of this Contract to the contrary, the Lottery may terminate this Contract immediately and without penalty if the Lottery is unable to renegotiate the compensation with the Contractor to an amount which the Lottery determines to be appropriate.

T. **RENEWAL OF CONTRACT:**

This Contract may be renewed by the Lottery upon written agreement of both parties for two (2) successive two (2) year periods. The Series ID: CWUR0000SAS367, Series Title: Other services in the U.S. city average, urban wage earners and clerical workers, not seasonally adjusted category of the CPI-W section of the Consumer Price Index of the United States Bureau of Labor Statistics (for the latest 12 months for which statistics are available) will be used as a guide in determining price reasonableness if price increases are requested by the Contractor.

U. **SECURITY CLEARANCE - VIRGINIA LOTTERY:**

All Contractor personnel, entering the Main Street Centre Building, are required to obtain security clearance prior to their arrival at the work site. For information on the clearance process, call Lottery Security at 804-692-7226. Failure to obtain the necessary security clearance will result in access to the building being denied.

V. **SMALL, WOMEN- AND MINORITY-OWNED (SWAM-OWNED) BUSINESS SUBCONTRACTING AND EVIDENCE OF COMPLIANCE:**

It is the goal of the Lottery that 50% of purchases are made from SWaM-owned businesses. This includes discretionary spending in prime Contracts and subcontracts. Unless the Offeror is registered as a SBSB-certified small business and where it is practicable for any portion of the awarded Contract to be subcontracted to other suppliers, the Contractor is encouraged to offer such subcontracting opportunities to SBSB-certified SWaM-owned businesses. No Offeror or subcontractor shall be considered a SWaM-owned business unless certified as such by the Department of Small Business and Supplier Diversity (SBSB) by the due date for receipt of proposals. If SWaM-owned business subcontractors are used, the prime Contractor agrees to report the use of SWAM-owned business subcontractors by providing the purchasing office, at a minimum, the following information on a monthly basis

or as directed by the Lottery: name of SWaM-owned business with the SBSB certification number, phone number, total dollar amount subcontracted, category type (small, women-owned, or minority-owned), and type of product/service provided.

Will there be any subcontracting to SWaM business for the performance of this Contract?	<input type="checkbox"/> Yes <input type="checkbox"/> No
If so, please provide the SWaM business name and SBSB certification number:	

W. **SUBCONTRACTS:**

No portion of the work shall be subcontracted without prior written consent of the Lottery. If the Contractor desires to subcontract some part of the work specified herein, the Contractor shall furnish the Lottery the names, qualifications and experience of their proposed subcontractors. The Contractor shall, however, remain fully liable and responsible for the work to be done by its subcontractor(s) and shall assure compliance with all requirements of the Contract.

VII. **GENERAL TERMS AND CONDITIONS:**

NOTE: The Lottery will not sign any Offeror’s documents, MSAS, or other type of Agreements. The Lottery’s General Terms and Conditions shall not be negotiated.

A. **ANTI-DISCRIMINATION:**

By submitting their proposal, Offerors certify to the Commonwealth that they will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginians with Disabilities Act, the Americans with Disabilities Act. If the award is made to a faith-based organization, the organization shall not discriminate against any recipient of goods, services, or disbursements made pursuant to the Contract on the basis of the recipient's religion, religious belief, refusal to participate in a religious practice, or on the basis of race, age, color, gender or national origin and shall be subject to the same rules as other organizations that Contract with public bodies to account for the use of the funds provided; however, if the faith-based organization segregates public funds into separate accounts, only the accounts and programs funded with public funds shall be subject to audit by the Lottery.

In every Contract over \$10,000, the provisions in 1. and 2. below apply:

During the performance of this Contract, the Contractor agrees as follows:

1. The Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide

occupational qualification reasonably necessary to the normal operation of the Contractor. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

2. The Contractor, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, will state that such Contractor is an equal opportunity employer.
3. Notices, advertisements and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting these requirements.

The Contractor will include the provisions of 1. above in every subcontract or purchase order over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

B. ADDENDA:

Any changes or supplemental instructions to this Request for Proposals shall be in the form of written addenda. Each Offeror is responsible for determining that all addenda issued have been received and shall acknowledge receipt of all addenda in the space provided within the Pricing Schedule or by returning a copy of each signed addendum. Failure to do so may result in rejection of the proposal. All addenda so issued shall become part of the RFP and any resulting Contract documents.

C. ANNOUNCEMENT OF AWARD:

Upon the award or the announcement of the decision to award a Contract over \$50,000, as a result of this solicitation, Lottery will publicly post such notice on the DGS/DPS eVA web site (www.eva.virginia.gov).

D. ANTITRUST:

By entering into a Contract, the Contractor conveys, sells, assigns, and transfers to the Commonwealth of Virginia and/or the Lottery all rights, title and interest in and to all causes of action it may now have or hereafter acquire under the antitrust laws of the United States and the Commonwealth of Virginia, relating to the particular goods or services purchased or acquired by the Commonwealth of Virginia and/or the Lottery under said Contract.

E. APPLICABLE LAWS AND COURTS:

This solicitation and any resulting Contract shall be governed in all respects by the laws of the Commonwealth of Virginia, and any litigation with respect thereto shall be brought in the courts of the Commonwealth, and in particular, in Richmond, Virginia. The Contractor shall comply with all applicable federal, state and local laws, rules and regulations including Virginia Lottery Law § 58.1-4000 et seq. and the Virginia Lottery Purchasing Manual.

F. **ASSIGNMENT OF CONTRACT:**

A Contract shall not be assignable by the Contractor in whole or in part without the written consent of the Lottery.

G. **AVAILABILITY OF FUNDS:**

It is understood and agreed between the parties herein that the Lottery shall be bound hereunder only to the extent of the funds available, or which may hereafter become available for the purpose of this agreement.

H. **PROPOSAL PRICE CURRENCY:**

Unless stated otherwise in the solicitation, Offerors shall state proposal prices in US dollars.

I. **CHANGES TO THE CONTRACT:**

Changes can be made to the Contract in any of the following ways:

1. The parties may agree in writing to modify the scope of the Contract. An increase or decrease in the price of the Contract resulting from such modification shall be agreed to by the parties as a part of their written agreement to modify the scope of the Contract.
2. The Lottery may order changes within the general scope of the Contract at any time by written notice to the Contractor. Changes within the scope of the Contract include, but are not limited to, things such as services to be performed, the method of packing or shipment, and the place of delivery or installation. The Contractor shall comply with the notice upon receipt. The Contractor shall be compensated for any additional costs incurred as the result of such order and shall give the Lottery a credit for any savings. Said compensation shall be determined by one of the following methods:

By mutual agreement between the parties in writing; or

By agreeing upon a unit price or using a unit price set forth in the Contract, if the work to be done can be expressed in units, and the Contractor accounts for the number of units of work performed, subject to the Lottery's right to audit the Contractor's records and/or to determine the correct number of units independently; or

By ordering the Contractor to proceed with the work and keep a record of all costs incurred and savings realized. A markup for overhead and profit may be allowed if provided by the Contract. The same markup shall be used for determining a decrease in price as the result of savings realized. The Contractor shall present the Lottery with all vouchers and records of expenses incurred and savings realized. The Lottery shall have the right to audit the records of the Contractor as it deems necessary to determine costs or savings. Any claim for an adjustment in price under this provision must be asserted by written notice to the Lottery within 30 days from the date of receipt of the written order from the Lottery. If the parties fail to agree on an amount of

adjustment, the question of an increase or decrease in the Contract price or time for performance shall be resolved in accordance with the procedures for resolving disputes provided by the Disputes Clause of this Contract or, if there is none, in accordance with the disputes provisions of the Lottery's Purchasing Manual. Neither the existence of a claim nor a dispute resolution process, litigation or any other provision of this Contract shall excuse the Contractor from promptly complying with the changes ordered by the Lottery or with the performance of the Contract generally.

J. **CLARIFICATION OF TERMS:**

If any prospective Offeror has questions about the specifications or other solicitation documents, the prospective Offeror should contact the Contract Officer whose name appears on the face of the solicitation no later than five (5) working days before the due date. Any revisions to the solicitation will be made only by addendum issued by the Lottery.

K. **DEBARMENT STATUS:**

By submitting their proposal, Offerors certify that they are not currently debarred by the Commonwealth of Virginia and/or the Lottery from submitting proposals on contracts for the type of goods and/or services covered by this solicitation, nor are they an agent of any person or entity that is currently so debarred.

L. **DEFAULT:**

In case of failure to deliver goods or services in accordance with the Contract terms and conditions, the Lottery, after due oral or written notice, may procure them from other sources and hold the Contractor responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies which the Lottery may have.

M. **DRUG-FREE WORKPLACE:**

During the performance of this Contract, the Contractor agrees to (i) provide a drug-free workplace for the Contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the Contractor that the Contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over \$10,000, so that the provisions will be binding upon each subcontractor or vendor.

For the purposes of this section, "*drug-free workplace*" means a site for the performance of work done in connection with a specific Contract awarded to a Contractor, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the

Contract.

N. **ETHICS IN PUBLIC CONTRACTING:**

By submitting their proposal, Offerors certify that their proposal are made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other Offeror, supplier, manufacturer or subcontractor in connection with their proposal, and that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.

O. **IMMIGRATION REFORM AND CONTROL ACT OF 1986:**

By entering into a written Contract with the Lottery, the Contractor certifies that they so not, and shall not during the performance of the Contract for goods and services in the Commonwealth, knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986.

P. **INFORMATION SECURITY REVIEW:**

Should the Contractor's obligations involve creating, collecting, or storing Lottery information, which is deemed sensitive by the Lottery, said Contractor shall participate in an annual information security review conducted by the Virginia Lottery Information Security Administrator to ensure that information protection policies and practices of the Contractor are sufficient for the Lottery information being created, collected and/or stored.

Q. **INSURANCE:**

By signing and submitting a proposal under this solicitation, the Offeror certifies that if awarded the Contract, it will have the following insurance coverage at the time the Contract is awarded. The Offeror further certifies that the Contractor and any subcontractors will maintain this insurance coverage during the entire term of the Contract and that all insurance coverage will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission.

Minimum Insurance Coverages and Limits Required for Most Contracts:

1. Workers' Compensation - Statutory requirements and benefits. Coverage is compulsory for employers of three or more employees, to include the employer. Contractors who fail to notify the Commonwealth of increases in the number of employees that change their workers' compensation requirements under the *Code of Virginia* during the course of the Contract shall be in noncompliance with the Contract.
2. Employer's Liability - \$100,000.
3. Commercial General Liability - \$1,000,000 per occurrence. Commercial General Liability is to include bodily injury and property damage,

personal injury and advertising injury, products and completed operations coverage. The Commonwealth of Virginia and the Lottery must be named as an additional insured and so endorsed on the policy.

4. Automobile Liability - \$1,000,000 per occurrence (only used if motor vehicle is to be used in the Contract).

R. **NONDISCRIMINATION OF CONTRACTOR:**

A Offeror or Contractor shall not be discriminated against in the solicitation or award of this Contract because of race, religion, color, sex, national origin, age, disability, faith-based organizational status, any other basis prohibited by state law relating to discrimination in employment or because the Offeror employs ex-offenders unless the Lottery has made a written determination that employing ex-offenders on the specific Contract is not in its best interest. If the award of this Contract is made to a faith-based organization and an individual, who applies for or receives goods, services, or disbursements provided pursuant to this Contract objects to the religious character of the faith-based organization from which the individual receives or would receive the goods, services, or disbursements, the Lottery shall offer the individual, within a reasonable period of time after the date of his objection, access to equivalent goods, services, or disbursements from an alternative provider.

S. **PAYMENT:**

1. To Prime Contractor:

- a) Invoices for items ordered, delivered and accepted shall be submitted by the Contractor directly to the payment address shown on the purchase order/Contract. All invoices shall show the Lottery Contract number and/or purchase order number; social security number (for individual contractors) or the federal employer identification number (for proprietorships, partnerships, and corporations).
- b) Any payment terms requiring payment in less than 30 days will be regarded as requiring payment 30 days after invoice or delivery, whichever occurs last. This shall not affect offers of discounts for payment in less than 30 days, however.
- c) All goods or services provided under this Contract or purchase order shall be billed by the Contractor at the Contract price.
- d) The following shall be deemed to be the date of payment: the date of postmark in all cases where payment is made by mail, or the date of offset when offset proceedings have been instituted as authorized under the Virginia Debt Collection Act.
- e) Unreasonable Charges. Under certain emergency procurements and for most time and material purchases, final job costs cannot be accurately determined at the time orders are placed. In such cases, Contractors should be put on notice that final payment in full is contingent on a determination of reasonableness with respect to all invoiced charges. Charges which appear to be

unreasonable will be researched and challenged, and that portion of the invoice held in abeyance until a settlement can be reached. Upon determining that invoiced charges are not reasonable, the Lottery shall promptly notify the Contractor, in writing, as to those charges which it considers unreasonable and the basis for the determination. A Contractor may not institute legal action unless a settlement cannot be reached within 30 days of notification. The provisions of this section do not relieve the Lottery of its prompt payment obligations with respect to those charges which are not in dispute.

2. To Subcontractors:

a) A Contractor awarded a Contract under this solicitation is hereby obligated:

- i. To pay the subcontractor(s) within seven (7) days of the Contractor's receipt of payment from the Lottery for the proportionate share of the payment received for work performed by the subcontractor(s) under the Contract; or
- ii. To notify the Lottery and the subcontractor(s), in writing, of the Contractor's intention to withhold payment and the reason.

b) The Contractor is obligated to pay the subcontractor(s) interest at the rate of one (1) percent per month (unless otherwise provided under the terms of the Contract) on all amounts owed by the Contractor that remain unpaid seven (7) days following receipt of payment from the Lottery, except for amounts withheld as stated in (2) above. The date of mailing of any payment by U. S. Mail is deemed to be payment to the addressee. These provisions apply to each sub-tier Contractor performing under the primary Contract. A Contractor's obligation to pay an interest charge to a subcontractor may not be construed to be an obligation of the Lottery.

3. The Lottery encourages contractors and subcontractors to accept electronic and credit card payments.

T. **PERSONNEL SECURITY CLEARANCES:**

All Board members, officers and employees of any vendor working directly on a Contract with the Virginia Lottery for goods or services shall be subject to a criminal background search to be conducted by the chief security officer of the Virginia Lottery.

No person who has been convicted of a felony, bookmaking or other form of illegal gambling, or of a crime involving moral turpitude, shall be employed on

Contracts with vendors described in this section.

U. **PRECEDENCE OF TERMS:**

The following General Terms and Conditions, APPLICABLE LAWS AND COURTS, ANTI-DISCRIMINATION, ETHICS IN PUBLIC CONTRACTING, IMMIGRATION REFORM AND CONTROL ACT OF 1986, DEBARMENT STATUS, ANTITRUST, MANDATORY USE OF STATE FORM AND TERMS AND CONDITIONS, CLARIFICATION OF TERMS, PAYMENT shall apply in all instances. In the event there is a conflict between any of the other General Terms and Conditions and any Special Terms and Conditions in this solicitation, the Special Terms and Conditions shall apply.

V. **QUALIFICATION OF OFFEROR:**

The Lottery may make such reasonable investigations as deemed proper and necessary to determine the ability of the Offeror to perform the services/furnish the goods and the Offeror shall furnish to the Lottery all such information and data for this purpose as may be requested. The Lottery reserves the right to inspect Offeror's physical facilities prior to award to satisfy questions regarding the Offeror's capabilities. The Lottery further reserves the right to reject any proposal if the evidence submitted by, or investigations of, such Offeror fails to satisfy the Lottery that such Offeror is properly qualified to carry out the obligations of the Contract and to provide the services and/or furnish the goods contemplated therein.

W. **TAXES:**

Sales to the Commonwealth of Virginia and the Lottery are normally exempt from State sales tax. State sales and use tax certificates of exemption, Form ST-12, will be issued upon request. Deliveries against this Contract shall usually be free of Federal excise and transportation taxes. The Lottery's excise tax exemption registration number is 54-73-0076K.

X. **TESTING AND INSPECTION:**

The Lottery reserves the right to conduct any test/inspection it may deem advisable to assure goods and services conform to the specifications.

VIII. **METHOD OF PAYMENT AND INVOICING:**

Payment will be made upon completion of project unless otherwise negotiated differently. Invoices shall be rendered directly to:

Virginia Lottery
Attention: Accounts Payable
VLAP@valottery.com (*preferable*)
600 East Main Street
Richmond, VA 23219

Invoice must contain the following information:

- Virginia Lottery's Contract number;
- Description of the goods and services;
- Date goods and services were provided;

- Invoice total;
- Contractor's Federal Identification Number or Federal Employer's Number.

If this information is not contained in the invoice, the invoice may be returned to the Contractor.

IX. **DISCOUNT FOR PROMPT PAYMENT:**

Discount for prompt payment at: ____%/Net ____ days (see Discount for Prompt Payment requirement herein). This Discount will not be calculated in determining low proposal amount(s).

X. **PRICING:**

The Offeror agrees to furnish the goods/services as specified herein, and in compliance with the terms and conditions of this Request for Proposal at the following price(s). Alternate pricing strategies are encouraged in addition to the pricing below.

All pricing information shall be submitted independently and separate from the rest of the Offeror’s response.

Enhanced Customer Service System Development: \$ _____
 Maintenance of Customer Service System: \$ _____ annually

For any technical development work post-launch, please complete the following table:

Labor Category	Estimated Hours	Hourly Rate	Extended Price
Functional Lead	100	\$	\$
Functional Specialist	100	\$	\$
Lead Developer	100	\$	\$
Developer	100	\$	
Estimated Total Price			\$

Total Estimated Cost:

Description	Cost
Enhanced Customer Service System Development	\$
Maintenance of Customer Service System	\$
Technical Development Estimated Cost	\$
Total Estimated Cost	\$

An Offeror may propose different and/or additional labor categories as it relates to their proposal.

Please also include a list of the optional features Offeror proposes and a cost for each, if applicable.

XI. **ADDENDA:**

Offeror hereby acknowledges receipt of and incorporation of all requirements of any addenda issued for this Request for Proposals:

Addendum No. _____ Dated _____

Addendum No. _____ Dated _____

Addendum No. _____ Dated _____

XII. **SIGNATURE AND OFFEROR PROFILE SHEET:**

All proposals must be signed below in order to be considered.

All prices shall be F.O.B. to the delivery address(s) as specified herein. Freight, delivery costs, and incidental charges shall be included in the proposal price(s).

In compliance with this Request for Proposal #PR6874PM and subject to all conditions thereof, the undersigned offers and agrees to furnish any or all items and/or services in the proposal specified herein.

Complete Legal Name of Firm	
Address	
Remit To Address	
Authorized Signature	
Print Name	
Title	FIN #
Email	Telephone
Offeror Profile: Offeror shall indicate whether they are <i>certified</i> with the Virginia Department of Small Business and Supplier Diversity as a (check all that apply)	
<input type="checkbox"/> Small Business <input type="checkbox"/> Minority-Owned Business <input type="checkbox"/> Woman-Owned Business	
Certification Number:	Expiration Date:
Definitions and information on how to become certified may be obtained at www.sbsd.virginia.gov	
Contact person regarding this Proposal	
Check here to use above contact <input type="checkbox"/> or provide name below:	
Name:	
Email	Phone

XIII. OFFERORS CHECKLIST:

The intent of the checklist is to assist the Offeror in providing a responsive proposal. It may not include all the requirements necessary to submit a responsive proposal. It is the responsibility of the Offeror to read the entire solicitation.

<input type="checkbox"/>	Offeror has clear understanding of goods/services requested
<input type="checkbox"/>	Offeror understands and agrees to all Special and General Terms & Conditions
<input type="checkbox"/>	Any tables/boxes within the Special Terms and Conditions must be completed by the Offeror (Offeror must write in these tables/boxes).
<input type="checkbox"/>	Offeror understands when proposal is due
<input type="checkbox"/>	Offeror understands where to mail or deliver proposal
<input type="checkbox"/>	Offeror understands that once a proposal is opened, it is a binding document
<input type="checkbox"/>	Offeror signed and provided all information requested on RFP Signature Page
<input type="checkbox"/>	Offeror understands that contact with the Contract Officer is encouraged if any questions arise prior to submitting a proposal
<input type="checkbox"/>	
<input type="checkbox"/>	
<input type="checkbox"/>	
<input type="checkbox"/>	
<input type="checkbox"/>	
<input type="checkbox"/>	