

Commonwealth of Virginia



Request for Unsealed Proposals

Title: HRIS Information System

Due Date: December 14, 2022

Contact Information:

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Request for Proposals (RFP) #: 8378KA

RFP Issue Date:November 16, 2022

Contract Term: 3 years plus 3 one-year renewals

Proposal Due Date and Time: December 14, 2022; 3:00PM 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 vendors that can implement and maintain a Human Resources Information System (HRIS) solution.

II. **BACKGROUND:**

The Lottery is currently utilizing a cloud-based solution to control labor cost, minimize compliance risk, and improve workforce productivity, for 371 employees, with plans to increase to over 500 employees. The Lottery has 24/7 access, without having to purchase additional hardware, operating systems, or database licenses. The current system provides Human Resources (HR) support, time and attendance reporting, leave usage tracking, and leave accruals. Payroll processing is handled outside of the Lottery by the Commonwealth of Virginia.

For technical development and integrations, the Lottery uses the Microsoft stack of technologies. Additional details are available upon request to Lottery Contract Officer, Kita Ashurst.

III. **STATEMENT OF NEEDS:**

The Offeror shall provide a HRIS for the Lottery. The system shall be able to serve as the system of record of employee information and shall provide onboarding workflow management, talent management, learning and development, and organizational management. Additional requirements are listed below:

A. **System Functionality**

1. **Enterprise**

- a. System shall provide system access based on roles as determined by the needs of the Lottery.
- b. System shall provide automated workflow, with email notifications, for the entire human resource process to include, but not be limited to, hiring, onboarding, employee performance management review, and separation.
- c. System shall provide compensation management to include, but not limited to, incentive management.
- d. System shall maintain multiple types of human resource documents such as employee performance and development plans, employee agreements, new hire packets, etc.
- e. System shall provide multiple reports for each function of the system. Reports shall be exportable in standard formats such as PDF, Excel, Formatted Excel, CSV, HTML, XML, and Text.

2. **Organizational Management**

- a. The system shall define organizational structure(s) which may include the ability to build organizational charts and an allowance for the created organizational chart to be based on reporting relationships as defined by Lottery needs.
- b. System shall provide access to organizational charts in different formats.
- c. System shall allow for changes to be made to the organizational structure by designated Lottery staff.

- d. System shall provide reporting of all organizational level details in multiple formats.
 - e. System shall have the ability to add and delete custom fields and track reports.
 - f. System shall have the ability to track and report, custom data fields such as, employee salary grade, organizational changes and title history.
3. Manager Self-Service
- a. System shall allow managers to have access to employee self-service portal as based on defined security rules.
 - b. System shall allow for managers to initiate a variety of transactions through automated workflow. Workflows shall be created based on Lottery requirements during implementation.
 - c. System shall create automated post-onboarding processes such as performance development and planning, training, etc.
 - d. System shall allow managers to generate a variety of standard and custom reports.
4. Employee Self-Service
- a. System shall provide a self-service engine which allows employees to view documents, policies, messages, their own employee information such as job history, leave history, compensation, etc.
 - b. System shall perform time and attendance functions such as weekly and bi-weekly timecards with approvals, request time-off, enter leave time used during a specific period.
 - c. System shall allow employees to initiate a variety of transactions through automated workflow (i.e., time-off request). Workflows shall be created based on Lottery requirements during implementation.
5. Compliance
- a. System shall provide compliance reporting with the ability to generate reports based on current and/or historical periods. At a minimum, standard reports shall include EEO-1.
 - b. System shall track ADA and disability information.
 - c. System shall track military and veteran status for all employees.
6. Budget/Compensation
- a. System shall track and analyze salary budget.
 - b. System shall allow for initiating automated salary increases based on several different factors which may include individual or agency-wide increases, dollar amounts, percentages, and a combination of dollars and percentages, and increases to all direct reports of the same amount. Salary increases shall be able to be assigned an effective date.
 - c. System shall allow managers to initiate for automated more than one salary increase at a time for an employee. Example: cost of living and merit increase at the same time.
 - d. System shall report salary geographical and shift differentials, or incentives.

- e. System shall provide the allowance for use of multiple salary structures.
 - f. System shall easily show historical salary grade details and changes for each employee.
7. Human Capital Management
- a. System shall maintain historical data for current and former employees.
 - b. System shall create and maintain employee files to include, but is not limited to, education and certification information and audit trails of when updates occur.
 - c. System shall allow the Lottery to assign each employee a unique identifying number with a minimum of eleven (11) numbers.
 - d. System shall maintain all job-related details such as job grade, FLSA exemption status, EEO code, and salary and job family.
 - e. System shall allow for managers to run ad hoc reports detailing all employee data based on permissions as determined by the Lottery.
 - f. System shall allow personnel files to be stored electronically. The Lottery is interested in the ability to digitize historical personnel information and files.
8. Onboarding
- a. System shall create an automated workflow to allow a human resource professional to enter new hire/rehire information prior to start date through automated workflow.
 - b. System shall create an onboarding checklist for new hire/rehire to ensure the need to complete specific activities and trainings are communicated.
 - c. System shall facilitate the automation of new hire paperwork.
 - d. System shall track all necessary approvals and assignments to ensure new hire/rehire has necessary hardware and software on start date, i.e., computer requests, telephone requests, etc.
9. Employee Development
- System shall track and maintain all necessary details of an employee's development. Tracking may include, but is not limited to, core competencies, recommended jobs, licenses and certifications with expiration dates, professional associations, development and tracking of individual employee development plans, etc.
10. Learning Management
- System shall allow Lottery personnel to create a training course with description, source, instructor, costs, CEUs, vendor, and renewal term. Additionally, system shall allow for tracking of training course attendance and include training course attendance on an employee's record.

11. Leave Administration

- a. System shall support multiple leave types such as annual leave, family-personal leave, sick leave, military leave, floating holidays, etc.
- b. System shall track leave of absence with dates and reasons, history of leave of absences, and track cumulative leave time taken by employee.
- c. System shall track paid time off (i.e., system shall allow accrual to be configured to accrue based on length of service with a pre-determined carry-over amount).

12. Time and Attendance

System shall provide electronic timesheets which allows for customization of data so only pertinent data is displayed for each employee.

- a. System shall support multiple rounding rules and/or complete custom fields with various roundings.
- b. System shall support unlimited number of user defined time/earnings codes and work schedules.
- c. System shall include the definition and application of complex pay rules based on timesheet details (i.e., bi-weekly, exempt and non-exempt).
- a. System shall allow various levels of timesheet, workflows and approvals.
- b. System shall allow designated employees to adjust timesheets.
- c. System shall provide validation of absence codes against time off business rules.
- d. System shall allow employees to view weekly timesheets and history along with leave accrual.

13. Employee Relations/Case Management

- a. System shall track employee disciplinary actions, what actions have been taken, employee responses, and outcomes.
- b. System shall schedule and track scheduled review periods after disciplinary action has occurred.
- c. System shall manage and track employee complaints and investigations.

14. Performance Management

- a. System shall provide an allowance for completion of performance plans and reviews, to include automated workflow and approval process, to be completed inside the system. This should allow administrators to configure the review process in any way necessary as determined by the Lottery and allow for weighting of performance areas.
- b. System shall allow employees to submit review feedback and complete self-evaluations.
- c. System shall maintain historical data for performance reviews.
- d. System shall compile all performance information and maintain the information in a repository.

- e. System shall provide a link from performance management to compensation to allow for merit increases and incentives.

15. Succession Management

System shall store succession documents and allow for printing.

16. Separation

System shall enter, track, and retain all separation information deemed necessary by the Lottery. Examples of such information may be separation reason, exit interview information, and separation workflow based on separation reason.

B. Optional Requirements

Offerors are invited to propose any additional features and functions they are able to provide. The Lottery is interested in the following optional feature (but Offeror may include more features):

1. Effective dating

Ability to update records to take effect on a future date or retroactive date, such as, salary and employee changes.

C. Technical and Security Requirements

1. Technical Requirements

- a. The system shall provide programming interfaces for application and data integration with other external systems using technologies that adhere to industry standards.
- b. All system access and activity shall be logged. Logs should be available to Lottery IT and Security and shall not be modifiable or delete-able by application users.
- c. System shall integrate with the Lottery's Active Directory.
- d. System shall provide role-based security (system access based on an individual's role within the organization).
- e. System shall designate different levels of ability to manage system administration activities, from a super user with all rights, to users with lesser degrees of system administration access.
- f. System shall activate new users automatically or manually based on the Lottery's needs.
- g. System shall provide the ability to terminate employees' access automatically or manually.
- h. System shall secure sensitive data at a field level.
- i. System shall allow for auditing of who has changed items in the system.
- j. System shall be designed to support High Availability and data redundancy at a level required by the business.
- k. System shall provide the ability to re-brand the Web pages (i.e., use the Lottery logo).
- l. Offeror shall provide a test environment throughout the duration of system use.

- m. Offeror shall provide a mobile app that offers the same services as their web-based software.

2. Security Requirements

- a. Offeror shall provide requirements that demonstrate effective IT security controls and processes are in place to protect the Lottery systems and data.
- b. Offeror shall provide reports or audits for review that define the Lottery systems and data are protected (i.e., System and Organization Controls (SOC) reports).

D. **Support and Training**

- a. Offeror shall provide system support both during and after system implementation. If necessary, Offeror shall train Lottery personnel on maintaining the system to ensure ongoing functioning service to Lottery employees.
- b. Offeror shall provide training to Lottery employees on their platform. This should include how-to simulations. Additionally, the Offeror shall provide job aids to assist with performing common tasks and supplement employee training.

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 one (1) copy of each proposal must be submitted to the Lottery. Each hardcopy proposal must also contain the following:
 - (1) An electronic version of the complete proposal on a jump drive, and
 - (2) An electronic version of the complete proposal with any proprietary information removed. 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 the Offeror's proposal. The phrase "fully comply" without an explanation is unacceptable. If a requirement is not being provided, state "Not Provided." Proposals

that 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. **Offerors should organize their proposal content by sections as requested below:**

Section 1: Signed Cover Page, Addenda, and/or Exceptions to T/Cs:

Includes information required by the Lottery in reference to Offeror's business information and RFP requirements not related to the scope of work and pricing. This section also allows the Offeror to designate any proprietary information in the proposal. **Please note, marking the entire proposal as proprietary and/or the pricing submitted within the proposal as proprietary will not be accepted by the Lottery and risks proposal rejection.** This section must include the following information at a minimum:

- a. A fully completed and signed Signature and Offeror Profile Sheet.
- b. A fully completed Proprietary Information table which indicates the page number(s) containing proprietary information:

Proprietary Information Table:

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

- c. The acknowledgement of any addenda released in reference to this RFP.
- d. Desired exceptions to any Special Terms and Conditions within the RFP. 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 exemption or any modification of a Term of Condition. ****NOTE:** The Lottery will not sign any Offeror’s documents, MSAs, or any other type of agreement(s). The Lottery’s General Terms and Conditions shall not be negotiated.

Section 2: System Functionality

- a. Offeror shall detail all requirements offered within the proposed system as required in Section III. *Statement of Needs; A. System Functionality Requirements.*
- b. Offeror shall demonstrate how its proposed system will provide accuracy, stability, integrity and a strong relational system capable of supporting an unlimited amount of employees.
- c. Offeror shall provide a list of existing reports as well as detail its ability to provide custom reports.
- d. Offeror shall provide recommended key performance indicators used to measure the success of the HRIS system in both the short-term and long-term, proposed benchmarks, and frequency of reporting. In addition, please elaborate on the following:
 - 1. System capability to provide comprehensive reporting on the HRIS system.
 - 2. Describe how the system captures data and how data is passed on to the Lottery’s IT department
 - 3. Offeror shall describe the criteria for a successful HRIS system.

Section 3: Methodology

- a. Offeror shall provide its methodology for system implementation to include, but not limited to, schedule, timeline, milestones, phases, Lottery involvement, integrations with third party providers, testing, quality control, data extraction, security of Personally Identifiable Information (PII) and account holder information, etc.
- b. Offeror shall describe its plan for converting existing Lottery data to the new system.
- c. Offeror shall provide a list of people (title/role) who will be assigned to each proposed project phase and their specific experience as it relates to each phase, and how it will be managed.
- d. Offeror shall provide a Responsible, Accountable, Consultant, Informed (RACI) chart.
- e. Offeror shall propose a maintenance and technical support plan as stated in Section III Statement of Needs F. Ongoing Support, which shall include, but

is not limited to, a Service Level Agreement (SLA) and how software patches and upgrades are handled.

- f. Offeror will provide a testing, training plan, technical and security plan, that will meet the requirements of the Lottery.

Section 4: Optional

Offeror shall describe any optional capabilities it is able to provide that is not a part of the mandatory requirements. These capabilities shall be broken out separately and individualized.

Section4: Case Studies

The Offeror shall provide three (3) examples of past performance where similar work was performed. These case studies shall include who the customer was, the scope of the project, how many employees were included in the system, how the project is relevant to the Statement of Needs, and any other details the Offeror deems important.

Section5: SWaM

Offeror shall provide a detailed description of participation of minority-owned, woman-owned, and small businesses in the performance of this Contract through subcontracting programs. Please complete the SWaM table below (Please note: the Lottery only recognizes business certified by the Virginia Department of Small Business and Supplier Diversity as SWaM). Offerors may add additional lines as required:

Small Business Name and Certificate Number	Planned Involvement	Planned Contract Dollars
Certificate #:		\$
Certificate #:		\$
Total Planned Contract Dollars		\$

Section 6: Pricing

Offeror shall complete the pricing schedule on Page 32 of this RFP. Offerors are encouraged to submit alternate pricing schedules as long as the provided schedule is completed as well. Offeror is responsible for providing any additional pricing required outside of the provided schedule. *Pricing proposals shall be submitted independently and separately of the rest of the Offeror’s response.*

C. SOLICITATION 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

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 Date
First Round of Questions	November 22, 2022
Addendum #1 issues (if applicable)	November 29, 2022
Second Round of Questions (if applicable)	December 02, 2022
Addendum #2	December 07, 2022
RFP Due Date	December 14, 2022
Estimated Contract Award April 2023	April 2023

V. **EVALUATION AND AWARD CRITERIA:**

A. **EVALUATION CRITERIA:**

The 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:

Evaluation Criteria	Scoring Points Available
System Functionality	65
Methodology	10
Case Studies	5
SWaM	10
Pricing	10
Total Points Available	100

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 such Offerors. After negotiations have been conducted with each of these Offerors, the Lottery may select the Offeror(s) that, in its opinion, has made the best proposal, and award the Contract to that Offeror(s). The 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.

V. **SPECIAL TERMS AND CONDITIONS:**

A. **ADVERTISING:**

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

B. **AUDIT:**

The Offeror shall retain all books, records, and other documents relative to this Contract for five (5) years after final payment, or until audited by the Lottery and/or 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 and at no cost to the Lottery nor the Commonwealth of Virginia.

C. **PROPOSAL ACCEPTANCE PERIOD:**

Any proposal in response to this solicitation shall be valid for 180 days. At the end of the 180 day period, the proposal may be withdrawn at the written request of the Offeror. If the proposal is not withdrawn at that time, it remains in effect until an award is made or the solicitation is canceled.

D. **CANCELLATION OF CONTRACT:**

The Lottery reserves the right to cancel and terminate any resulting Contract, in part or in whole, without penalty, upon 30 days' written notice to the Offeror. 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 30 days' written notice to the other party. Any Contract cancellation notice shall not relieve the Offeror of the obligation to deliver and/or perform on all outstanding orders issued prior to the effective date of cancellation.

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

The Offeror 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 Contract, 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 and VITA SEC501/SEC525*. 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.

F. 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 Contract 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 ninety (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.

G. DATA OWNERSHIP

The Lottery shall own and have full and complete access to all data collected on its behalf at all times, through the term of this Agreement. The Lottery shall have the ability to import or export its data in piecemeal or in its entirety at the Lottery's discretion at no charge to the Lottery. This includes the ability for the Lottery to import or export Data to/from other Contractors. This can, if specified within this Agreement, be carried out by providing application programmable interface or other such efficient electronic tools. Upon expiration or termination of this Agreement, the Lottery shall have full access to all pertinent data for a period of 60 calendar days. This period will be covered at no charge. This can, if specified within this Agreement, be carried out by providing application programmable interface or other such efficient electronic tools. During this period, the Contractor shall not take any action to erase and/or withhold any data, except as directed by the Lottery.

H. DATA USAGE

The Contractor shall not copy or transfer Lottery data unless authorized by the Lottery. In such an event the data shall be copied and/or transferred in accordance with the provisions of this Section. Contractor shall not access any Data for any purpose other than fulfilling the service. Contractor is prohibited from Data Mining,

cross tabulating, monitoring Authorized User's Data usage and/or access, or performing any other Data analytics other than those required within this Contract. At no time shall any Data or processes (e.g., workflow, applications, etc.), which either are owned or used by the Lottery, be copied, disclosed, or retained by the Contractor or any party related to the Contractor unless explicitly specified by the Lottery. Contractor is allowed to perform industry standard back-ups of Data. Documentation of back-up must be provided to the Authorized User upon request. Contractor must comply with any and all security requirements within this Contract.

I. **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 purchase order/Contract and taken if invoices are processed and payment made within the stipulated time frame. If discounts are not offered, payment shall be made thirty (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.

J. **DISCOUNTS, OR PROMOTIONAL DISCOUNTS:**

The Contractor shall extend any special or promotional sale prices or discounts immediately to the Lottery during the term of the Contract. Such notice shall also advise the duration of the specific sale or discount price.

K. **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.

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

The cover page of this solicitation will indicate whether proposals will be accepted as sealed or unsealed. If this solicitation indicates "sealed" proposals will be received for this procurement, all proposals received must be 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 and this process could take 30 minutes or longer.

Late proposal will not be accepted.

Note: The Lottery does not conduct public openings.

M. INDEMNIFICATION:

Contractor agrees to indemnify and hold harmless the Commonwealth of Virginia, 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/subcontractor-provided products and/or services, or (v) any actual or alleged infringement or misappropriation of any third party's intellectual property rights by any of the Contractor/subcontractor-provided products and/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/subcontractor-provided products and/or services, including any components thereof, or that the Contractor's/subcontractor's performance or delivery of any product and/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/subcontractor-provided Deliverables, Products, Software, Services, Solution, including Solution Components, Application and Licensed Services, as applicable, or Contractor's/subcontractor'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. In addition, the Contractor shall provide the Lottery with a comparable temporary replacement product and/or service or reimburse the Lottery for the reasonable costs incurred by the Lottery in obtaining an alternative product and/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.

N. 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/subcontractor; or (c) circumstances where the Contract expressly provides a right to damages, indemnification and/or reimbursement.

O. **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.

P. **PERFORMANCE, CONTRACTOR:**

Contractors providing goods and/or 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. 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 provided 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 \$5,000 for a period of **three years**.

4. **Re-procurement of Goods and/or Services:**

In addition to a Contractor's ineligibility for award of contracts over \$5,000, 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-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 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 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 or more complaints within a period of one 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 \$5,000 for a period of one year after the issuance of the third Contractor Complaint Form. Ineligibility shall apply even though a satisfactory resolution to all complaints occurred.

Q. 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.

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 successive three (3) one year periods, under the terms of the current Contract, and at a reasonable time (approximately 90 days) prior to the expiration.

U. 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 DSBSB-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 Lottery, 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:	

V. SUBCONTRACTS:

No portion of the work shall be subcontracted without prior written consent of the Lottery. In the event that the Contractor desires to subcontract some part of the work specified herein, the Contractor shall furnish the Lottery the names, qualifications and experience of its 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.

W. 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.

X. CONFIDENTIALITY (CONTRACTOR):

The Contractor assures that information and data obtained as to personal facts and circumstances related to the Lottery including, but not limited to, Lottery players/ consumers, employees, retailers, vendors, applicants, and/or licensees, will be collected and held confidential, during and following the term of this Contract, 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.

VI. GENERAL TERMS AND CONDITIONS:

A. ANTI-DISCRIMINATION:

By submitting their proposal, Offerors certify to the Lottery and 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 Lottery and the Commonwealth of Virginia 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 and/or services purchased or acquired by 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, in particular, 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 Contract.

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 thirty (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 it is not currently debarred by the Lottery and/or Commonwealth of Virginia from submitting proposals on contracts for the type of goods and/or services covered by this solicitation, nor is it 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 it has 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 initial and annual information security review conducted by the 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. For construction contracts, if any subcontractors are involved, the subcontractor will have workers' compensation insurance in accordance with §§ 2.2-4332 and 65.2-800 et seq. of the *Code of Virginia*. 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:

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 Lottery 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.

Employer's Liability - \$100,000.

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 Lottery and the Commonwealth of Virginia must be named as an additional insured and so endorsed on the policy.

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, that are to be paid for with Lottery funds, 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 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:**

The Lottery requires that all Board members, officers and employees working directly on a Contract with the Lottery for such goods or services shall be subject to a criminal background search to be conducted by the chief security officer of the 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, 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 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 Commonwealth'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.

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

Invoices shall be rendered directly to:

Virginia Lottery
Attention: Accounts Payable
VLAP@valotery.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.

VIII. **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 bid amount(s).

IX. **PRICING:**

Offerors are encouraged to submit alternate pricing schedules as long as the provided schedule is completed as well. Offeror is responsible for providing any additional pricing required outside of the provided schedule. *Pricing proposals shall be submitted independently and separately of the rest of the Offeror's response.* 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):

Implementation: \$ _____

Platform Fee (monthly): \$ _____
(use 380 employees to determine monthly fees)

Ongoing Maintenance (monthly): \$ _____

Total Price:

Description	Unit	QTY	Unit Price	Extended Price
Implementation	NA	1	\$	\$
Platform Fee	Monthly	12	\$	\$
Ongoing Maintenance	Monthly	12	\$	\$
Grand Total				\$

X. **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 _____

XI. **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 #8378KA and subject to all conditions thereof, the undersigned offers and agrees to furnish any or all items and/or services proposal 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

XII. **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"/>	