Commonwealth of Virginia

Request for Sealed Proposals

Title: Human Resource Information System

Due Date: June 7, 2016

Contact Information:

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Request for Proposals (RFP) #: PA0000296

RFP Issue Date: ..... May 3, 2016

Contract Term: ..... Implementation period plus two (2) years

Proposal Due Date and Time: ..... June 7, 2016; 10:00 AM, EST

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Complete Legal Name of Offeror's Firm: _____

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I. PURPOSE:

The purpose of this Request for Proposal ("RFP") is to seek a suitably qualified vendor to implement and maintain a Human Resource Information System solution.

II. BACKGROUND:

The Lottery is currently utilizing several systems to complete all of the necessary functions and would like to incorporate all functions into one system. Currently, each system requires a different login and does not provide a cohesive experience for human resources and finance employees who use the system in their daily tasks as well as the entire Lottery employee base. Human Resources staff utilizes the current systems for employee records, employee and manager self-service, recruiting, talent, learning and development, and organizational management. Finance employees utilize the current systems for payroll and time and attendance functions.

VIRGINIA LOTTERY STANDARD TECHNOLOGIES USED FOR APPLICATION DEVELOPMENT AND INTEGRATIONS:

The standard technologies used for application development and integrations at the Virginia Lottery are described as follows:

* Microsoft Windows operating systems for development and deployment.

* Active Directory identity management system. Windows domain authentication is the default authentication used by internal applications and services.

* SQL Server RDBMS for development.

* Microsoft Visual Studio Team System Integrated Development Environment (IDE) and toolset used throughout the development cycle.

* ASP.NET with AJAX development framework.

* C#.NET programming language.

* Web services for application integrations and application data access (through application services and shared enterprise services).

* Windows Communication Foundation (WCF) with wsHttpBinding as the default service technology and binding protocol for service development.

* IIS for application and service hosting, including AJAX services.

* Microsoft Team Foundation Server (TFS) and its Source Control repository for storing project artifacts and source code.

* SQL Server Reporting Services (SSRS) for developing application reports.

* SQL Server Integration Services (SSIS) for data integrations.

* SQL Server Analysis Services (SSAS) for developing multidimensional and tabular solutions

* SharePoint for intranet portal.

* Sitecore CEP for WCMS and DMS.

* Microsoft Dynamics AX as the ERP system.

All technical solutions will be evaluated by an Architecture Review Board and may be required to submit architectural documentation. The required level of conformity to the above standards will be dependent upon the degree of application and data integrations and customizations necessary.

III. STATEMENT OF NEEDS:

The Offeror shall provide a software solution or a web based solution for an Integrated Human Resource solution. It is the Lottery's desire for the following systems to be encompassed in one solution: employee records, recruiting, talent management, learning and development, and organizational management. More detailed requirements shall be:

A. System Functionality

a. Enterprise

- System shall have the ability to allow system access based on roles as determined by the Lottery.
- System shall have the ability to provide automated workflow, with email notifications, for the entire human resource process to include but not be limited to recruiting, hiring, onboarding, payroll, employee review, and separation.
- System shall have the ability to maintain multiple types of human resource documents such as I-9's, performance and development plans, employee agreements, new hire packets, etc.
- System shall have the ability to provide template letters and/or forms to cover multiple human resource needs such as job offer letters, COBRA letters, and separation letters.
- System shall have the ability to provide multiple reports for each function of the system. Reports shall be exportable in standard formats such as excel, csv, and pdf.

b. Organizational Management

- The system shall have the ability to define an organizational structure which may include the ability to build organizational charts, export data to an organizational application, and an allowance for the created organizational chart to be based on reporting relationships as defined by Lottery needs.
- System shall have the ability to provide access to organizational charts in different formats.
- System shall allow for changes to be made to the organizational

structure by designated Lottery staff.

- System shall have the ability to track any open positions within the organizational structure.
- System shall allow for reporting of all organizational level details in multiple formats.

c. Position Management

- System shall have the ability to track employee head counts and associated positions.
- System shall have the ability to maintain records for replacement planning, indicating possible new positions for employees.
- System shall have the ability to set head count standards allowing for maximum, minimum, and overages.
- System shall have the ability to track status of position approval
- System shall have the ability to provide historical data for position records and position assignments.

d. Manager Self-Service

- System shall have the ability for managers to have access to the entire employee self-service portal.
- System shall have the ability to allow for managers to initiate a variety of transactions through automated workflow.
- System shall have the ability to create automated post-onboarding processes such as performance development and planning, training, etc.
- System shall have the ability for managers to generate a variety of standard and custom reports.

e. Employee Self-Service

- 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.
- System shall have the ability to perform time and attendance functions such as weekly timecards with approvals, request time-off, enter leave time used during a specific period.
- System shall have the ability to allow employees to initiate a variety of transactions through automated workflow.

f. Compliance

- System shall provide compliance reporting with the ability to generate reports based on current and/or historical periods. Standard reports shall include at a minimum: EEO-4, OSHA 300, OSHA 301, Multi-Worksite reports, tax documents and automatic notifications of I-9 expiration/visa expiration.
- System shall have the ability to track ADA and disability information.
- System shall have the ability to track military and veteran status for all employees.
- System shall have the ability to track all employee incidents and provide all details as needed by the Lottery. Such details may include: accident or exposure, date and time, days away from work, days of restricted work,

illness or injury, complete incident description, and ability to add notes.

g. Budget/Compensation

- System shall have the ability to track and analyze salary budget.
- 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.
- System shall have the ability for 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.
- System shall have the ability to provide budget planning where current and historical budget data is available to be viewed.
- System shall have the ability to report salary differentials, supplemental pay, bonuses, or incentives.
- System shall have the ability to provide the allowance for use of multiple salary structures.
- System shall have the ability to easily show historical salary grade details and changes for each employee.

h. Human Capital Management

- System shall have the ability to maintain historical data for current and former employees.
- System shall have the ability to create and maintain employee files, to include but is not limited to, education and certification information and audit trails of when updates occur.
- System shall have the ability to allow the Lottery to assign each employee a unique identifying number with a minimum of seven (7) numbers.
- System shall have the ability to maintain all job-related details such as job grade, FLSA exemption status, EEO code, and salary and job family.
- System shall allow for managers to run ad hoc reports detailing all employee data based on permissions as determined by the Lottery.
- System shall have the ability to allow personnel files to be stored electronically. The Lottery is interested in the ability to digitize historical personnel information and files.

i. Recruiting and Applicant Management

- System shall have the ability to provide a library of templates for use by the Lottery. Templates may include detailed job openings, detailed job descriptions, employment information, interview questions, applications and offer letters.
- System shall have the ability to allow system users with the appropriate authority to determine which fields of provided templates are required.
- System shall have the ability to post jobs both internally and externally as needed by the Lottery.
- System shall have the ability to track expenses by applicant/candidate and associate the costs to a general recruiting activity.

- System shall have the ability to send automatic emails as a response, acknowledgement, or notification to both internal and external customers.
- System shall have the ability to allow all appropriate system users to customize verbiage of emails sent to internal and external customers.
- System shall have the ability to allow appropriate system users to send emails to internal and external customers for items such as interview scheduling, interview location, topics to be covered in interviews, job opening status, etc.
- System shall have the ability to seamlessly integrate with standard email systems such as Microsoft Exchange.
- System shall have the ability to filter applications by multiple criteria such as internal/external applicant, date range received, etc.
- System shall have the ability to maintain submitted resumes based on criteria such as a Lottery defined category, job title, skills, or other Lottery designated category.
- System shall have the ability to provide a library of standard communication templates which can be emailed, printed, or viewed on a historical basis.
- System shall allow for assessments to be printed, interview notes to be reviewed, applicant information entered and documents attached.

j. Hiring

- System shall have the ability to enter, track, and retain all hiring information deemed necessary by the Lottery. Examples of such information may be hire/rehire checklist, electronic notification to internal customers of hire status and start date, notification to new hire of activities which need to be completed, etc.

k. Onboarding

- System shall have the ability to create an automated workflow to allow a human resource professional to enter new hire/rehire information prior to start date through automated workflow.
- System shall have the ability to create an onboarding checklist for new hire/rehire to ensure the need to complete specific activities and trainings are communicated.
- System shall have the ability to facilitate the automation of new hire paperwork.
- System shall have the ability to track all necessary approvals and assignments to ensure new hire/rehire has all necessary hardware and software on start date, i.e. computer requests, telephone requests, etc.

l. Employee Development

- System shall have the ability to 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.

m. Learning Management

- System shall have the ability for Lottery personnel to create a training course with description, location, and time, registration capability, required pre-work, allowance for minimum/maximum enrollment, notification of enrollment to employees, employee transcript.

n. Leave Administration

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

o. Time and Attendance

- System shall have the ability to provide electronic time cards which allows for customization of data so only pertinent data is showing for each employee.
- System shall have the ability to support multiple rounding rules.
- System shall have the ability to support unlimited number of user defined time/earnings codes.
- System shall have the ability to include the definition and application of complex pay rules based on timesheet details.
- System shall have the ability to allow designated employees to adjust timesheets.
- System shall have the ability to provide a comprehensive audit trail of the entire payroll process.
- System shall have the ability to provide validation of absence codes against time off business rules.
- System shall have the ability for employees to view weekly timesheets and history along with leave accrual.

p. Employee Relations/Case Management

- System shall have the ability to track employee disciplinary actions, what actions have been taken, employee responses, and outcomes.
- System shall have the ability to schedule and track scheduled review periods after disciplinary action has occurred.
- System shall provide the ability to manage and track employee complaints and investigations.

q. Performance Management

- System shall allow for the 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 anyway necessary as deemed by the Lottery and allow for weighting of performance areas.

- System shall have the ability to allow employees to submit review feedback and complete self-evaluations.
- System shall have the ability to maintain historical data for performance reviews.
- System shall have the ability to compile all performance information and maintain the information in a repository.
- System shall have the ability to provide a link from performance management to compensation to allow for merit increases and incentives.

r. Succession Management

- System shall have the ability to store succession documents and allow for printing.
- System shall have the ability to track and report on critical roles and critical talent.
- System shall have the ability to track core competencies.

s. Separation

- System shall have the ability to 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**

The Lottery is interested in having a payroll system that will integrate with any proposed HRIS system. Payroll may be a module within the same system or a separate system that seamlessly integrates with the proposed system. The following requirements are the minimum specifications needed for any proposed payroll functionality.

a. Payroll

- System shall have the ability to provide all payroll functions needed by the Lottery. Functions may include: tracking of earnings and deduction codes based on compensation structure, allowance to use flexible grade scales, history of payroll actions by employee, allowance for mass change to salaries based on merit raises or agency incentive.

b. Earnings

- System shall provide an allowance for unlimited earnings codes.
- System shall have the ability to allocate earnings by different organizational levels.
- System shall have the ability to calculate and initiate off-cycle/special payments. Example: signing bonus, quarterly bonus, and annual bonus.
- System shall have the ability to handle employees with multiple pay rates.
- System shall have the ability to handle overtime payments.
- System shall, at a minimum, automatically accumulate hours and

earnings by the following: calendar year-to-date, quarter-to-date, month-to-date, last payroll.

c. Deductions and Benefits

- System shall have the ability to provide an unlimited number of deduction codes.
- System shall have the ability to calculate and deduct garnishments.
- System shall have the ability to send child support and/or other payroll deduction information to accounts payable.
- System shall have the ability to offer one time deductions.
- System shall have the ability to allow start and stop deduction dates.
- System shall have the ability to calculate deductions at a minimum in the following ways: fiscal-year-to-date, year-to-date, quarter-to-date, month-to-date, and last payroll.
- System shall provide the ability to temporarily override or inactivate deduction amounts.

d. Taxes

- System shall have the ability to process all federal, state, and local taxing jurisdictions within the United States and its territories.
- System shall have the ability to support tax calculations of lived in versus worked in state.
- System shall provide a wide array of reporting for taxes such as year-to-date taxes by tax type, year-to-date taxable wages, etc.

e. Payroll Processing

- System shall have the ability to run supplemental payrolls at any time.
- System shall have the ability to export data to an external payroll system.
- System shall allow for an unlimited number of the following: companies in one database, departments, divisions, locations, cost centers, jobs, supervisors, pay groups, GL base accounts, and labor distributions history.
- System shall support a multi-tier labor allocation.
- System shall have the ability to map GL account numbers within the payroll system.
- System shall have the ability for Lottery designated employees to change GL setup tables at any time.

C. **Technical Requirements**

- The system shall have the ability to provide programming interfaces for application and data integration with other external systems using technologies that adhere to industry standards, such as FTP, XML, SOAP or RESTful web services etc. The solution should also offer the ability to export and import data to and from CSV, Excel, XML and JSON formats.
- 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.

- System shall provide the ability to integrate with Active Directory to enable single sign-on.
- If cloud hosted, system shall provide the ability to use Azure AD for same sign-on.
- System shall provide role-based security (system access based on an individual's role within the organization).
- 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.
- System shall provide the ability to activate new users automatically or manually.
- System shall provide the ability to terminate employees' access automatically or manually.
- System shall provide the ability to secure sensitive data at a field level.
- System shall provide the ability to audit who has viewed/changed items in the system.
- System shall be designed to support High Availability and data redundancy at a level required by the business.
- System shall provide the ability to re-brand the Web pages (i.e., use your own logo).
- If the proposed solution provides the ability to customize or enhance the software, the vendor shall provide training on how to customize and on use of any toolset available.

D. **Support and Training**

- Offeror shall provide ongoing support both during implementation and afterwards while the Lottery maintains any proposed system.
- Offeror shall provide detailed training to Lottery employees which may include but is not limited to in-person training, training modules, or training scripts.
- Offeror shall provide a project team with experience on projects closely related to the Lottery's needs and at least one public sector client with needs similar to the Lottery's.

E. **Project Timeline**

- Offeror shall be able to provide a complete system go-live no later than May 2017.

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 5 copies 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 USB, 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 you will accomplish each requirement must be included in your 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.

4. Estimated Procurement Schedule

RFP Release	May 3, 2016
Round 1 Questions Due	May 13, 2016
Estimated Addendum Release	May 18, 2016
Round 2 Questions Due	May 27, 2016
Estimated Addendum Release	June 1, 2016
RFP Close	June 7, 2016
Estimated Contract Award	September 2016

5. Single Point of Contact:
Submit all inquiries concerning this RFP in writing by email, subject "Questions on RFP # PA0000296 to:

SPOC: Amanda Nies-Berger
Email: anies-berger@valottery.com

The Lottery will not guarantee a response to questions received after May 30, 2016. No questions will be addressed orally and all questions should be submitted based on the schedule above.

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 cover sheet that indicates the page number(s) containing proprietary information.

2. Offeror shall provide details of all system capabilities and functionality that can be provided as it relates to Section III. Statement of Needs, Enterprise. Please provide details of all functionality even if not specifically requested in aforementioned section.

3. Offeror shall provide details of all system capabilities and functionality that can be provided as it relates to Section III. Statement of Needs, Organizational Management. Please provide details of all functionality even if not specifically requested in aforementioned section.

4. Offeror shall provide details of all system capabilities and functionality that can be provided as it relates to Section III. Statement of Needs, Recruiting and Applicant Management. Please provide details of all functionality even if not specifically requested in aforementioned section.

5. Offeror shall provide details of all system capabilities and functionality that can be provided as it relates to Section III. Statement of Needs, Hiring. Please provide details of all functionality even if not specifically requested in aforementioned section.

6. Offeror shall provide details of all system capabilities and functionality that can be provided as it relates to Section III. Statement of Needs, Termination. Please provide details of all functionality even if not specifically requested in aforementioned section.

7. Offeror shall provide details of all system capabilities and functionality that can be provided as it relates to Section III. Statement of Needs, Onboarding. Please provide details of all functionality even if not specifically requested in aforementioned section.

8. Offeror shall provide details of all system capabilities and functionality that can be provided as it relates to Section III. Statement of Needs, Human Resources. Please provide details of all functionality even if not specifically requested in aforementioned section.

9. Offeror shall provide details of all system capabilities and functionality that can be provided as it relates to Section III. Statement of Needs, Compliance. Please provide details of all functionality even if not specifically requested in aforementioned section.

10. Offeror shall provide details of all system capabilities and functionality that can be provided as it relates to Section III. Statement of Needs, Performance Appraisal. Please provide details of all functionality even if not specifically requested in aforementioned section.

11. Offeror shall provide details of all system capabilities and functionality that can be provided as it relates to Section III. Statement of Needs, Succession Management. Please provide details of all functionality even if not specifically requested in aforementioned section.

12. Offeror shall provide details of all system capabilities and functionality that can be provided as it relates to Section III. Statement of Needs, Budget. Please provide details of all functionality even if not specifically requested in aforementioned section.

13. Offeror shall provide details of all system capabilities and functionality that can be provided as it relates to Section III. Statement of Needs, Employee Relations/Case Management. Please provide details of all functionality even if not specifically requested in aforementioned section.

14. Offeror shall provide details of all system capabilities and functionality that can be provided as it relates to Section III. Statement of Needs,

Employee Development. Please provide details of all functionality even if not specifically requested in aforementioned section.

15. Offeror shall provide details of all system capabilities and functionality that can be provided as it relates to Section III. Statement of Needs, Learning Management. Please provide details of all functionality even if not specifically requested in aforementioned section.

16. Offeror shall provide details of all system capabilities and functionality that can be provided as it relates to Section III. Statement of Needs, Position Management. Please provide details of all functionality even if not specifically requested in aforementioned section.

17. Offeror shall provide details of all system capabilities and functionality that can be provided as it relates to Section III. Statement of Needs, Employee Self-Service. Please provide details of all functionality even if not specifically requested in aforementioned section.

18. Offeror shall provide details of all system capabilities and functionality that can be provided as it relates to Section III. Statement of Needs, Manager Self-Service. Please provide details of all functionality even if not specifically requested in aforementioned section.

19. Offeror shall provide details of all system capabilities and functionality that can be provided as it relates to Section III. Statement of Needs, Leave Administration. Please provide details of all functionality even if not specifically requested in aforementioned section.

20. Offeror shall provide details of all system capabilities and functionality that can be provided as it relates to Section III. Statement of Needs, Payroll. Please provide details of all functionality even if not specifically requested in aforementioned section.

21. Offeror shall provide details of all system capabilities and functionality that can be provided as it relates to Section III. Statement of Needs, Earnings. Please provide details of all functionality even if not specifically requested in aforementioned section.

22. Offeror shall provide details of all system capabilities and functionality that can be provided as it relates to Section III. Statement of Needs, Deductions and Benefits. Please provide details of all functionality even if not specifically requested in aforementioned section.

23. Offeror shall provide details of all system capabilities and functionality that can be provided as it relates to Section III. Statement of Needs, Taxes. Please provide details of all functionality even if not specifically requested in aforementioned section.

24. Offeror shall provide details of all system capabilities and functionality that can be provided as it relates to Section III. Statement of Needs, Time and Attendance. Please provide details of all functionality even if not specifically requested in aforementioned section.

25. Offeror shall provide details of all system capabilities and functionality that can be provided as it relates to Section III. Statement of Needs, Payroll Processing. Please provide details of all functionality even if not specifically requested in aforementioned section.

26. Offeror shall provide details of all system capabilities and functionality that can be provided as it relates to Section III. Statement of Needs, General Ledger. Please provide details of all functionality even if not specifically requested in aforementioned section.

27. Offeror shall provide details of all support that will be provided. This shall include implementation support, initial support after go-live and on-going support.

28. Offeror shall provide details of proposed project team to include team member biographies and resumes as well as at least one (1) case study of a project that the team proposed has completed which is most like the Lottery's needs.

29. Offeror shall provide a timeline for the proposed project.

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 Virginia Lottery based on the following criteria:

1. System Functionality
2. Technical Requirements
3. Support/Training
4. Price
5. SWaM

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 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. The Lottery reserves the right to award any pieces and parts of this RFP deemed to be in the best interest of the Lottery.

V. SPECIAL TERMS AND CONDITIONS:

A. 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.

B. PROPOSAL ACCEPTANCE PERIOD:

Any proposal in response to this solicitation shall be valid for 180 days. At the end of the 180 days 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.

C. CANCELLATION OF CONTRACT:

The Lottery reserves the right to cancel and terminate any resulting Contract, in part or in whole, without penalty, upon 120 days written notice to the Contractor. In the event 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 120 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 OF PERSONALLY IDENTIFIABLE INFORMATION:

The Contractor assures that information and data obtained as to personal facts and circumstances related to patients or 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 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.

E. 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 effect 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 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.

F. **CONTRACTOR/SUBCONTRACTOR LICENSE REQUIREMENT:**

By my signature on this solicitation, I certify that this firm/individual and subcontractor are properly licensed for providing the goods/services specified.

Contractor Name:	
Subcontractor Name:	
License Number:	
License Type:	

G. **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 Virginia Lottery's Accounts Payable Department. Offeror shall indicate discount (if applicable) with the "Pricing section" near the end of this solicitation.

H. **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: 12th Floor Purchasing Office, 900 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 900 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, Pocahontas Building (address above). **However,** the **Security Guard is not responsible for identifying the date and time a proposal is received; only a Virginia 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 proposal will not be accepted.

Note: the Lottery does not conduct public openings.

I. **INDEMNIFICATION:**

Contractor agrees to indemnify, defend and hold harmless the Commonwealth of Virginia/Virginia Lottery, its officers, agents, and employees from any claims, damages and actions of any kind or nature, whether at law or in equity, arising from or caused by the use of any materials, goods, or equipment of any kind or nature furnished by the Contractor/any services of any kind or nature furnished by the Contractor, provided that such liability is not attributable to the sole negligence of the Lottery or to failure of the Lottery to use the materials, goods, or equipment in the manner already and permanently described by the Contractor on the materials, goods or equipment delivered.

J. **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.

K. **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 meet 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 $5,000 for a period of **three years**.

4. Re-procurement of Goods and Services:
   In addition to a Contractor's ineligibility for award of programs 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 vendor will remain in default until the re-procurement costs have been paid to the Lottery. The vendor 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.

L. **PRIME CONTRACTOR RESPONSIBILITIES:**

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

M. **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 and telephone number.

Organization:	
Contact Person:	
Address:	
Telephone:	
Email:	

Organization:	
Contact Person:	
Address:	
Telephone:	
Email:	

Organization:	
Contact Person:	
Address:	
Telephone:	
Email:	

N. **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, and/or in the event of Legislative or Executive Branch action requiring contract modification. The changes may be modified or amended only by a writing signed by each party.

O. **RENEWAL OF CONTRACT:**

This Contract may be renewed by the Lottery upon written agreement of both parties for three successive one year periods, under the terms of the current Contract, and at a reasonable time (approximately 90 days) prior to the expiration.

P. **SECURITY CLEARANCE – CAPITOL POLICE:**

All Contractor personnel, entering the Pocahontas Building, are required to obtain security clearance prior to their arrival at the work site. For information on the clearance process, call the Capitol Police at (804) 786-2567. Failure to obtain the necessary security clearance will result in access to the building being denied

Q. **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 DMBE-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 DMBE-certified SWAM-owned businesses. No Offeror or subcontractor shall be considered a SWAM-owned Business unless certified as such by the Department of Minority Business Enterprise (DMBE) 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 DMBE 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?	☐ Yes ☐ No
If so, please provide the SWAM Business Name and DMBE certification Number:	

R. **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 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.

S. **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.

T. **CONFIDENTIALITY (CONTRACTOR):**

The Contractor assures that information and data obtained as to personal facts and circumstances related to patients or 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.

U. **DEMONSTRATIONS:**

By submitting a proposal, the Offeror certifies that the specified equipment is in productive use and capable of demonstration in the proposed configuration. The Lottery reserves the right to require Offerors or to demonstrate the functionality of proposed equipment to its satisfaction prior to making an award decision. Such demonstration is intended to show that a vendor's products will perform in a completely satisfactory manner and that they will meet or exceed the performance specifications contained in the solicitation. Failure by a vendor to promptly comply with a request for demonstration could result in their proposal being rejected. Failure to reject shall not relieve

the vendor of its obligation to fully comply with all requirements of the Contract.

V. **OWNERSHIP OF INTELLECTUAL PROPERTY:**

All copyright and patent rights to all papers, reports, forms, materials, creations, or inventions created or developed in the performance of this Contract shall become the sole property of the Lottery. On request, the Contractor shall promptly provide an acknowledgment or assignment in a tangible form satisfactory to the Lottery to evidence the Lottery sole ownership of specifically identified intellectual property created or developed in the performance of the Contract.

VI. GENERAL TERMS AND CONDITIONS:

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 Virginia 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 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 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. 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 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 buyer whose name appears on the face of the solicitation no later than five working days before the due date. Any revisions to the solicitation will be made only by addendum issued by the buyer.

K. **DEBARMENT STATUS:**

By submitting their proposal, Offerors certify that they are not currently debarred by the Commonwealth of Virginia 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 Virginia State Lottery Department, 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. 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:

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 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, department or institution 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 public body 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 public funds, shall be billed by the Contractor at the Contract price, regardless of which public agency is being billed.

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:**

Section 58.1-4008 of the *Code of Virginia* (Virginia Lottery Law) requires that all Board members, officers and employees of any vendor of lottery online or instant ticket goods or services working directly on a Contract with the Virginia Lottery for such goods or services shall be subject to a criminal background search to be conducted by the chief security officer of the Virginia Lottery. Additionally, Lottery Regulation 5-20-410 extends this to include any parent or Subsidiary Corporation of the vendor, and any shareholder of 5% or

more of the vendor, its parent or Subsidiary Corporation.

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.

No Board member, officer, or employee of a vendor to the Virginia Lottery of online or instant ticket goods or services working directly on a Contract for such goods or services, or any person residing in the same household of such Board member, officer or employee, shall purchase a lottery ticket or share, or receive a prize paid on a ticket purchased by or transferred to such person.

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 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.

Y. **TRANSPORTATION AND PACKAGING:**

By submitting their proposal, all Offerors certify and warrant that the price offered for FOB destination includes only the actual freight rate costs at the lowest and best rate and is based upon the actual weight of the goods to be

shipped. Except as otherwise specified herein, standard commercial packaging, packing and shipping containers shall be used. All shipping containers shall be legibly marked or labeled on the outside with purchase order number, commodity description, and quantity.

Z. **USE OF BRAND NAMES:**

Unless otherwise provided in this solicitation, the name of a certain brand, make or manufacturer does not restrict Offerors to the specific brand, make or manufacturer named, but conveys the general style, type, character, and quality of the article desired. Any article which the public body, in its sole discretion, determines to be the equivalent of that specified, considering quality, workmanship, economy of operation, and suitability for the purpose intended, shall be accepted. The Offeror is responsible to clearly and specifically identify the product being offered and to provide sufficient descriptive literature, catalog cuts and technical detail to enable the Lottery to determine if the product offered meets the requirements of the solicitation. This is required even if offering the exact brand, make or manufacturer specified. Failure to furnish adequate data for evaluation purposes may result in a lower score of Offeror's proposal. Unless the Offeror clearly indicates in its proposal that the product offered is an equivalent product, such proposal will be considered to offer the brand name product referenced in the solicitation.

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

Specify **when** payment will be made, e.g., upon delivery, monthly, quarterly, completion of project, etc. In addition, specify **when** and where invoices are to be submitted, e.g., by the 10th of the month following the month services were rendered, upon shipment, completion of project, etc.

Invoices shall be rendered directly to:
Virginia Lottery
Attention: Accounts Payable
900 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. **DELIVERY:**

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):

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 #PA0000296 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 *certified* with the Virginia Department of Minority Business Enterprises as a (check all that apply)

☐ Small Business ☐ Minority-Owned Business ☐ Woman-Owned Business

Certification Number: Expiration Date:

Definitions and information on how to become certified may be obtained at www.dmbe.virginia.gov

Contact person regarding this Proposal	
Check here to use above contact ☐ or provide name below: Name:	
Email	Phone

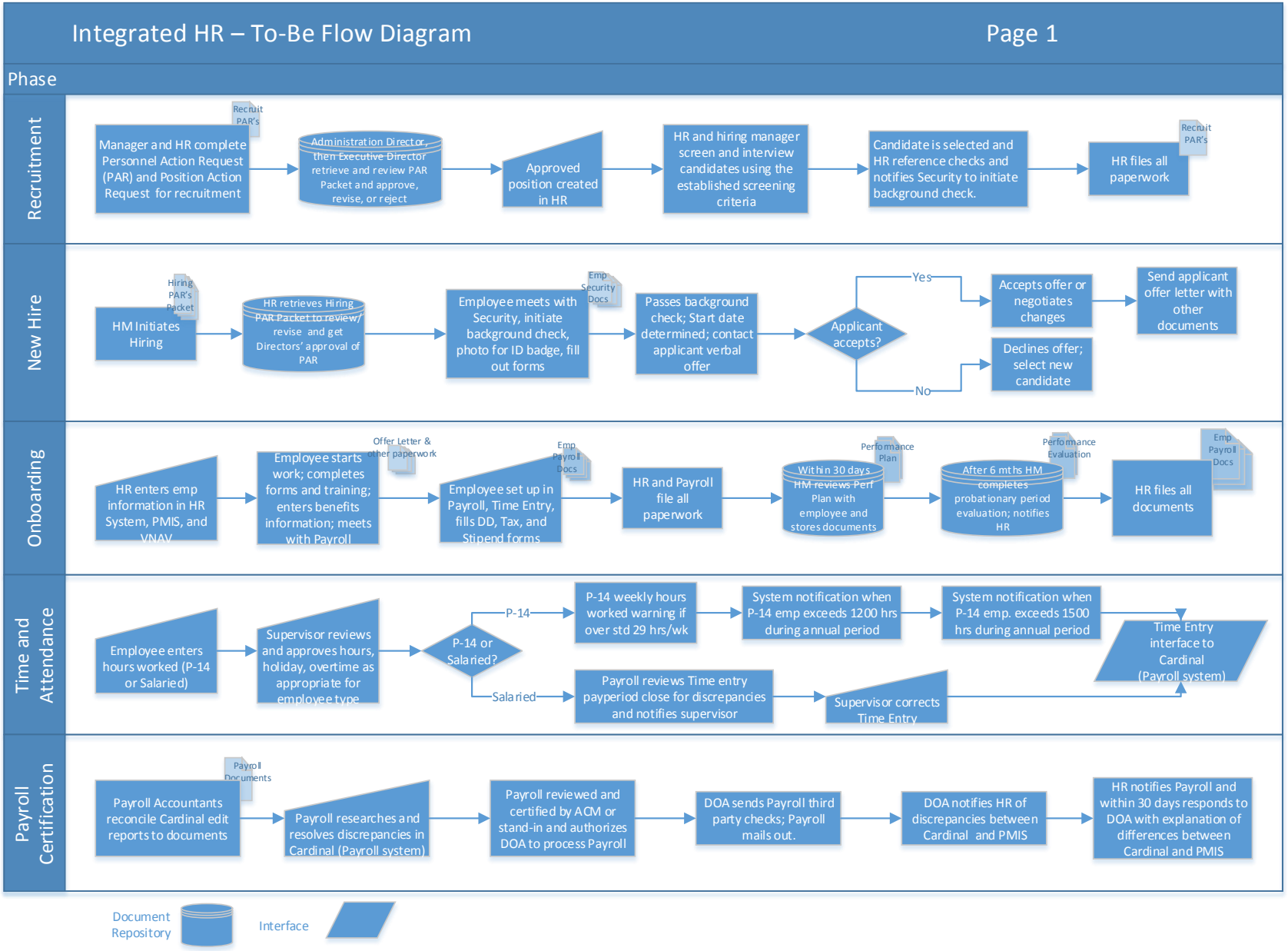
XIII. **OFFERORS CHECKLIST:**

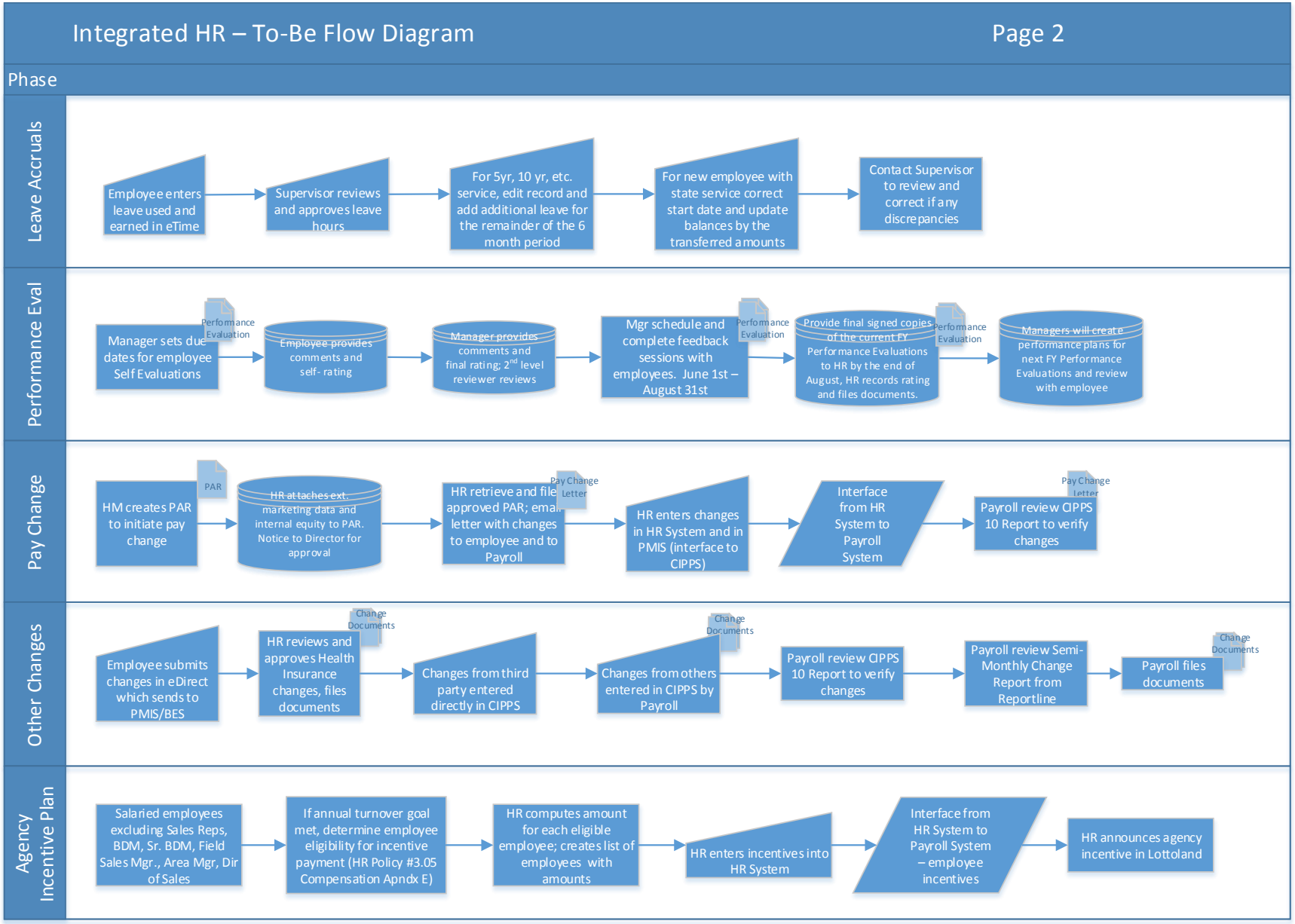
The intent of the checklist is to assist the Offeror in providing a responsive proposal. It may not include all the requirements necessary to submit a responsive proposal. It is the responsibility of the Offeror to read the entire solicitation.

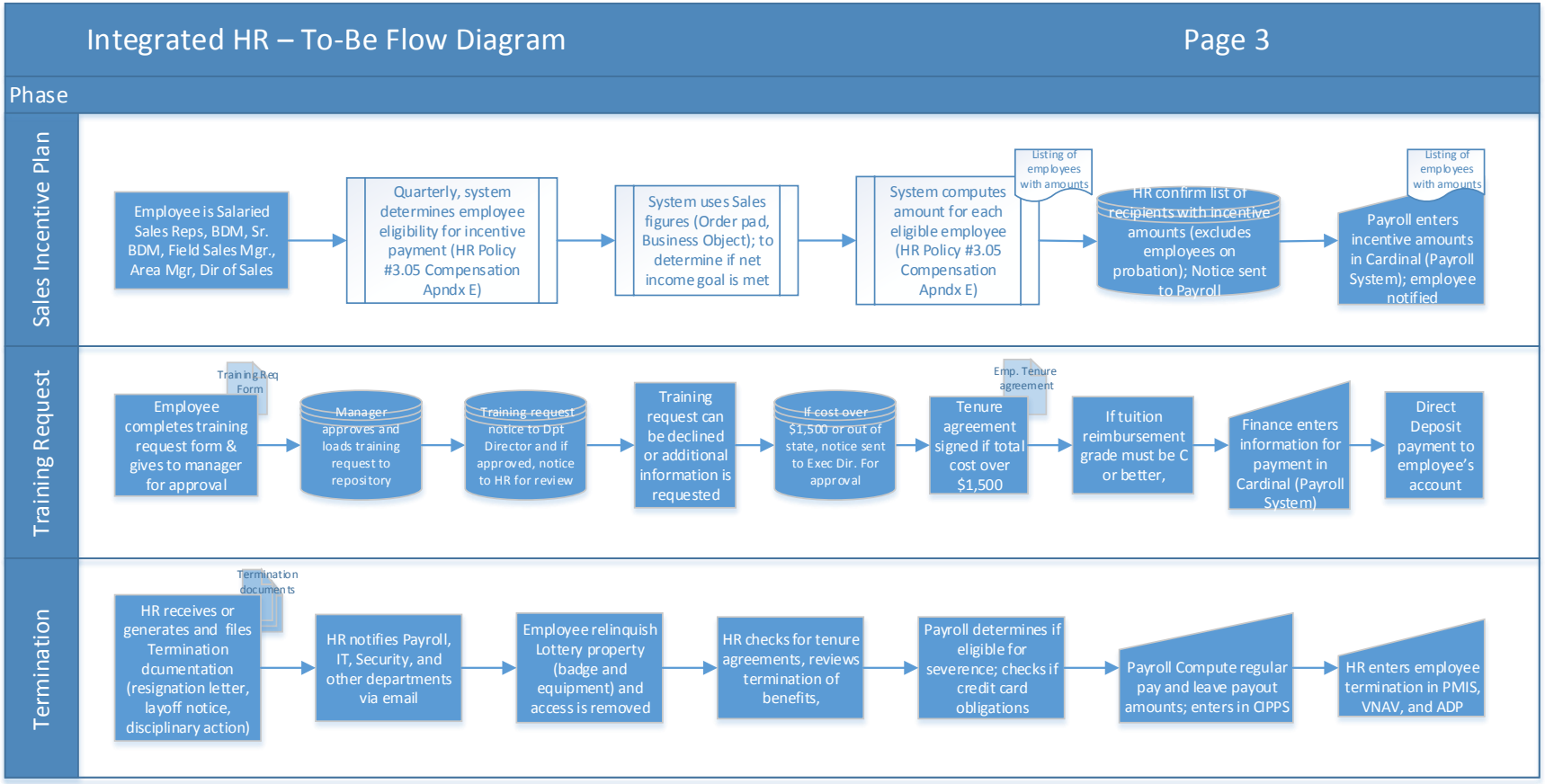
☐	Offeror has clear understanding of goods/services requested
☐	Offeror understands and agrees to all Special and General Terms & Conditions
☐	Any tables/boxes within the Special Terms and Conditions must be completed by the Offeror (Offeror must write in these tables/boxes).
☐	Offeror understands when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

Appendix A

The following diagrams depict the workflows the Lottery anticipates needing once the proposed system is implemented. The rest of this page has been intentionally left blank.


Integrated HR – To-Be Flow Diagram
Page 1
Phase
Recruitment
Recruit PAR's
Manager and HR complete Personnel Action Request (PAR) and Position Action Request for recruitment
Administration Director, then Executive Director retrieve and review PAR Packet and approve, revise, or reject
Approved position created in HR
HR and hiring manager screen and interview candidates using the established screening criteria
Candidate is selected and HR reference checks and notifies Security to initiate background check.
Recruit PAR's
HR files all paperwork
New Hire
Hiring PAR's Packet
HM Initiates Hiring
HR retrieves Hiring PAR Packet to review/ revise and get Directors' approval of PAR
Emp Security Docs
Employee meets with Security, initiate background check, photo for ID badge, fill out forms
Passes background check; Start date determined; contact applicant verbal offer
Applicant accepts?
Yes
No
Accepts offer or negotiates changes
Declines offer; select new candidate
Send applicant offer letter with other documents
Onboarding
HR enters emp information in HR System, PMIS, and VNAV
Offer Letter & other paperwork
Employee starts work; completes forms and training; enters benefits information; meets with Payroll
Emp Payroll Docs
Employee set up in Payroll, Time Entry, fills DD, Tax, and Stipend forms
HR and Payroll file all paperwork
Performance Plan
Within 30 days HM reviews Perf Plan with employee and stores documents
Performance Evaluation
After 6 mths HM completes probationary period evaluation; notifies HR
Emp Payroll Docs
HR files all documents
Time and Attendance
Employee enters hours worked (P-14 or Salaried)
Supervisor reviews and approves hours, holiday, overtime as appropriate for employee type
P-14 or Salaried?
P-14
Salaried
P-14 weekly hours worked warning if over std 29 hrs/wk
System notification when P-14 emp exceeds 1200 hrs during annual period
System notification when P-14 emp. exceeds 1500 hrs during annual period
Payroll reviews Time entry payperiod close for discrepancies and notifies supervisor
Supervisor corrects Time Entry
Time Entry interface to Cardinal (Payroll system)
Payroll Certification
Payroll Documents
Payroll Accountants reconcile Cardinal edit reports to documents
Payroll researches and resolves discrepancies in Cardinal (Payroll system)
Payroll reviewed and certified by ACM or stand-in and authorizes DOA to process Payroll
DOA sends Payroll third party checks; Payroll mails out.
DOA notifies HR of discrepancies between Cardinal and PMIS
HR notifies Payroll and within 30 days responds to DOA with explanation of differences between Cardinal and PMIS
Document Repository
Interface


Integrated HR – To-Be Flow Diagram
Page 2
Phase
Leave Accruals
Employee enters leave used and earned in eTime
Supervisor reviews and approves leave hours
For 5yr, 10 yr, etc. service, edit record and add additional leave for the remainder of the 6 month period
For new employee with state service correct start date and update balances by the transferred amounts
Contact Supervisor to review and correct if any discrepancies
Performance Eval
Manager sets due dates for employee Self Evaluations
Performance Evaluation
Employee provides comments and self- rating
Manager provides comments and final rating; 2nd level reviewer reviews
Mgr schedule and complete feedback sessions with employees. June 1st – August 31st
Performance Evaluation
Provide final signed copies of the current FY Performance Evaluations to HR by the end of August, HR records rating and files documents.
Performance Evaluation
Managers will create performance plans for next FY Performance Evaluations and review with employee
Pay Change
HM creates PAR to initiate pay change
PAR
HR attaches ext. marketing data and internal equity to PAR. Notice to Director for approval
HR retrieve and file approved PAR; email letter with changes to employee and to Payroll
Pay Change Letter
HR enters changes in HR System and in PMIS (interface to CIPPS)
Interface from HR System to Payroll System
Payroll review CIPPS 10 Report to verify changes
Pay Change Letter
Other Changes
Employee submits changes in eDirect which sends to PMIS/BES
HR reviews and approves Health Insurance changes, files documents
Change Documents
Changes from third party entered directly in CIPPS
Changes from others entered in CIPPS by Payroll
Change Documents
Payroll review CIPPS 10 Report to verify changes
Payroll review Semi-Monthly Change Report from Reportline
Payroll files documents
Change Documents
Agency Incentive Plan
Salaried employees excluding Sales Reps, BDM, Sr. BDM, Field Sales Mgr., Area Mgr, Dir of Sales
If annual turnover goal met, determine employee eligibility for incentive payment (HR Policy #3.05 Compensation Apndx E)
HR computes amount for each eligible employee; creates list of employees with amounts
HR enters incentives into HR System
Interface from HR System to Payroll System – employee incentives
HR announces agency incentive in Lottoland


Integrated HR – To-Be Flow Diagram
Page 3
Phase
Sales Incentive Plan
Employee is Salaried Sales Reps, BDM, Sr. BDM, Field Sales Mgr., Area Mgr, Dir of Sales
Quarterly, system determines employee eligibility for incentive payment (HR Policy #3.05 Compensation Apndx E)
System uses Sales figures (Order pad, Business Object); to determine if net income goal is met
System computes amount for each eligible employee (HR Policy #3.05 Compensation Apndx E)
Listing of employees with amounts
HR confirm list of recipients with incentive amounts (excludes employees on probation); Notice sent to Payroll
Listing of employees with amounts
Payroll enters incentive amounts in Cardinal (Payroll System); employee notified
Training Request
Training Req Form
Employee completes training request form & gives to manager for approval
Manager approves and loads training request to repository
Training request notice to Dpt Director and if approved, notice to HR for review
Training request can be declined or additional information is requested
If cost over $1,500 or out of state, notice sent to Exec Dir. For approval
Emp. Tenure agreement
Tenure agreement signed if total cost over $1,500
If tuition reimbursement grade must be C or better,
Finance enters information for payment in Cardinal (Payroll System)
Direct Deposit payment to employee's account
Termination
Termination documents
HR receives or generates and files Termination dcumentation (resignation letter, layoff notice, disciplinary action)
HR notifies Payroll, IT, Security, and other departments via email
Employee relinquish Lottery property (badge and equipment) and access is removed
HR checks for tenure agreements, reviews termination of benefits,
Payroll determines if eligible for severence; checks if credit card obligations
Payroll Compute regular pay and leave payout amounts; enters in CIPPS
HR enters employee termination in PMIS, VNAV, and ADP