FAHLGREN, INC. 418 GRAND PARK DR. SUITE 321 PARKERSBURG, WV 26105

4.5. Cost Proposal Format/Bid Sheets

All bidders are to complete the following cost bid sheet for the purpose of meeting the requirements of this bid. If a service is provided at no additional charge to the Lottery, indicate such with a cost bid of \$0 for that particular item. However, it is important each bidder understand that if \$0 is listed on any of the cost items on the bid sheet, the Vendor will be prohibited from charging a fee per hour for that service during the lifetime of the contract and its possible renewal years, even if the cost is covered in another category.

SPECIFIC SERVICES	RATE PER HOUR*	TIMES	ESTIMATED HOURS PER YEAR	1	ESTIMATED COST PER YEAR
Account/Client Services	\$ 80.00	X	5,000	-	\$400,000
Creative Planning	\$ 80.00	X	1,200	=	\$96,000
Media Planning and Buying	\$ 80.00	X	1,000	=	\$80,000
Strategic Planning	\$ 80.00	X	300	=	\$24,000
Art Direction	\$ 80.00	X	300	=	\$24,000
General Account Management	\$ 80.00	X	1,000	=	\$80,000
Research	\$ 80.00	X	500		\$40,000
Copy Writing	\$ 80.00	X	250	===	\$20,000
Layout	\$ 80.00	X	500	=	\$40,000
Computer Graphics	\$ 80.00	X	1,500	=	\$120,000
Accounting	\$ 80.00	X	500	=	\$40,000
Event Planning	\$ 80.00	X	200	=	\$16,000
Public Relations	\$ 80.00	X	75	=	\$6,000
Event/Promotions Staffing	\$ 80.00	X	100	=	\$8,000
Website development and maintenance	\$ 80.00	X	1,000	=	\$80,000
Clerical Services	\$ 80.00	X	50		\$4,000
- D-T /T	Total	Bid Cost fo	or Specific Service	Š	\$ 1,078,000

*In the section above, you are bidding your HOURLY RATES. The estimated hours are given to create an equal base for all bidders for purposes of cost scoring.

Media Buying Add-on: Each bidder responding to this RFP must provide a percent of add-on for media buying activity IF the Vendor plans to charge an add-on. All communication costs associated with media buying shall be included in this figure. Such costs include, but are not limited to, phone calls, postage, shipping containers, and facsimiles. If the bidder fails to provide an add-on percent quote, the bidder shall not charge a media buying add-on charge at any time during the term of the resulting contract and any renewals to the contract.

The media	a add-on	percentage is	-0-	_% (x)	\$6,000,000**	=
-----------	----------	---------------	-----	--------	---------------	---

FAHLGREN, INC. 418 GRAND PARK DR. SUITE 321 PARKERSBURG, WV 26105

S	-0-	per year		
** In t	the section above, yo ted dollars are given	per year ou are bidding your MEDIA ADD-ON PERCENTAGI for cost evaluation purposes only.	E RATE.	The
		or cost or accumulate pair posts, orange		
Produ	ction Add-on:			
The Lo	ttery will not accept	bids that include an hourly rate for production activity.	. Each bi	dder
respond	ling to this RFP mus	st provide a percent of add-on for production activity	IF the Ve	ndor
plans t	o charge an add-on	. All communication costs associated with produc	tion shal	l be
include	ers and feesimiles.	h costs include, but are not limited to, phone calls, pos	tage, ship	ping
not cha	rge a production add	If the bidder fails to provide an add-on percent quote, the l-on charge at any time during the term of the resulting	ie bidder :	shall
any ren	ewals to the contract.		g comiraci	and
The pr	oduction add-on per	rcentage is% (x) \$2,000,000*** =		
<u>\$</u>	-0-	per year		
8** In	the section above, yo	per year u are bidding your PRODUCTION ADD-ON PERCEN	TAGE RA	ATE.
The est	imated dollars are gi	ven for cost evaluation purposes only.		
The tot	al cost for Specific A	Activities, Media Buying and Production =		
\$	1,078,000	per year		
			,	

Rev. 09,08

State of West Virginia

VENDOR PREFERENCE CERTIFICATE

Certification and application* is hereby made for Preference in accordance with **West Virginia Code**, §5A-3-37. (Does not apply to construction contracts). **West Virginia Code**, §5A-3-37, provides an opportunity for qualifying vendors to request (at the time of bid) preference for their residency status. Such preference is an evaluation method only and will be applied only to the cost bid in accordance with the **West Virginia Code**. This certificate for application is to be used to request such preference. The Purchasing Division will make the determination of the Resident Vendor Preference, if applicable.

1.	Application is made for 2.5% resident vendor preference for the reason checked: Bidder is an individual resident vendor and has resided continuously in West Virginia for four (4) years immediately preceding the date of this certification; or,
<u>√</u>	Bidder is a partnership, association or corporation resident vendor and has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; or 80% of the ownership interest of Bidder is held by another individual, partnership, association or corporation resident vendor who has maintained its headquarters or principal place of business continuously in West Virginia for four (4) years immediately preceding the date of this certification; or,
	Bidder is a nonresident vendor which has an affiliate or subsidiary which employs a minimum of one hundred state residents and which has maintained its headquarters or principal place of business within West Virginia continuously for the four (4) years immediately preceding the date of this certification; or,
2.	Application is made for 2.5% resident vendor preference for the reason checked: Bidder is a resident vendor who certifies that, during the life of the contract, on average at least 75% of the employees working on the project being bid are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; or,
3.	Application is made for 2.5% resident vendor preference for the reason checked: Bidder is a nonresident vendor employing a minimum of one hundred state residents or is a nonresident vendor with an affiliate or subsidiary which maintains its headquarters or principal place of business within West Virginia employing a minimum of one hundred state residents who certifies that, during the life of the contract, on average at least 75% of the employees or Bidder's affiliate's or subsidiary's employees are residents of West Virginia who have resided in the state continuously for the two years immediately preceding submission of this bid; or,
4.	Application Is made for 5% resident vendor preference for the reason checked: Bidder meets either the requirement of both subdivisions (1) and (2) or subdivision (1) and (3) as stated above; or,
5.	Application is made for 3.5% resident vendor preference who is a veteran for the reason checked: Bidder is an individual resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard and has resided in West Virginia continuously for the four years immediately preceding the date on which the bid is submitted; or,
6.	Application is made for 3.5% resident vendor preference who is a veteran for the reason checked: Bidder is a resident vendor who is a veteran of the United States armed forces, the reserves or the National Guard, if, for purposes of producing or distributing the commodities or completing the project which is the subject of the vendor's bid and continuously over the entire term of the project, on average at least seventy-five percent of the vendor's employees are residents of West Virginia who have resided in the state continuously for the two immediately preceding years.
requirer against	understands if the Secretary of Revenue determines that a Bidder receiving preference has failed to continue to meet the ments for such preference, the Secretary may order the Director of Purchasing to: (a) reject the bid; or (b) assess a penalty such Bidder in an amount not to exceed 5% of the bid amount and that such penalty will be paid to the contracting agency cted from any unpaid balance on the contract or purchase order.
authoriz the requ	nission of this certificate, Bidder agrees to disclose any reasonably requested information to the Purchasing Division and es the Department of Revenue to disclose to the Director of Purchasing appropriate information verifying that Bidder has paid irred business taxes, provided that such information does not contain the amounts of taxes paid nor any other information I by the Tax Commissioner to be confidential.
and acc	penalty of law for false swearing (West Virginia Code, §61-5-3), Bidder hereby certifies that this certificate is true curate in all respects; and that if a contract is issued to Bidder and if anything contained within this certificate is during the term of the contract, Bidder will notify the Purchasing Division in writing immediately.
Bidder:	FAHLGREN, INC. Signed: Drift Hert
Date:	9-3-2009 Title: CHIEF OPERATING OFFICER
*Check ar	ny combination of preference consideration(s) indicated above, which you are entitled to receive.