



Grant Thornton

ORIGINAL

Delivering value, insight and experience

The West Virginia Lottery February 5, 2009

Reference: Statement on Auditing Standards No. 70 (SAS 70) Review of
Scientific Games Corporation

Request for Quotation LOT448

West Virginia Vendor Identification Number: 709024957

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PURCHASING DIVISION
STATE OF WV



Grant Thornton

February 5, 2009

Ms. Shelly Murray, Senior Buyer
Department of Administration
Purchasing Division
Building 15
2019 Washington Street, East
Charleston, WV 25305

Audit • Tax • Advisory

Grant Thornton LLP
2010 Corporate Ridge, Suite 400
McLean, VA 22102-7838

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Dear Ms. Murray:

Grant Thornton LLP (“Grant Thornton”) is pleased to present you with this proposal to provide SAS 70 services to the West Virginia Lottery (“the Lottery”). As one of the world’s largest accounting and management consulting organizations, Grant Thornton is a leading independent provider of public sector financial management, performance improvement, managed competition, business advisory and lottery services. You have indicated that you are seeking a well-qualified service provider with a local service team to work with you. We appreciate the opportunity to work with you, and believe the following proposal conveys our enthusiasm, commitment and qualifications to serve you.

At Grant Thornton, we recognize that SAS 70 audits are “rarely the same as last year.” While the SAS 70 control objectives and related control activities are defined, we pride ourselves in providing value-added services by looking at the controls with a fresh set of eyes. We will provide recommendations from our experience with SAS 70s in your industry and work with the Lottery to ensure that the SAS 70 controls represent those that are most critical to your organization. Our strong presence in the Mid-Atlantic enables us to provide a local team that is ready to begin work with you as soon as you need.

Our pledge is simple – to provide you with the best service we can give through a dedicated, experienced team of professionals. Our client base includes over 100 SAS 70 projects. In this proposal, we will briefly outline our approach for serving your needs, the credentials of your engagement team, and the value you will gain from the fees proposed.

We look forward to working with the Lottery on this important effort. Should you have any questions or need additional information, please do not hesitate to call me anytime at (410) 244-3280.

Sincerely,

John D. Barnes
Partner

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2.0 General information and requirements

RFQ 2.1 Background Investigations

Because of the relationship between the Lottery and Scientific Games, the Lottery will initiate investigations into the background of any firm, officers, principals, investors, owners, subcontractors, employees or any other associates of the vendor(s) it deems necessary at its sole discretion. Such background investigations may include, but not be limited to, financial/credit and criminal matters; other inquiries, as deemed appropriate to verify information and conduct the background investigation, and fingerprint identification by the Lottery, the West Virginia State Police and/or the Federal Bureau of Investigation. As a part of the overall background investigation, the Lottery may conduct site inspections of the vendor's facilities to determine that adequate physical security measures are utilized. Additional periodic background investigations may be conducted by the Lottery at its discretion at any time.

Grant Thornton understands that these investigations will be limited to personnel directly involved with this engagement.

RFQ 2.2 Staffing

The Lottery reserves the right to reject any of the vendor's personnel that it deems unsuitable to work on the SAS 70 Review. During the performance of this review, the vendor shall not employ or permit the employment of any unfit or unqualified person(s) not skilled in the tasks assigned to them. The vendor shall employ sufficient labor for carrying our work to full completion in the manner and time prescribed by any contract awarded pursuant to this RFQ. The vendor shall be responsible to the Lottery for the acts and omissions of the vendor's employees. In addition, the vendor shall enforce strict discipline among the vendor's employees in performing the services under the contract.

Any person employed by the vendor shall, at the written request of the Lottery, be removed forthwith by the vendor from work relating to the contract. If the person is not removed or if replacement personnel are deemed unsuitable for proper completion of the work, the Lottery may, through the West Virginia Purchasing Division upon thirty (30) days written notice, terminate the contract.

The vendor will be required to notify the Lottery in the event of change of personnel assigned to the review. This notification will be given with sufficient time, which will be determined by the Deputy Director of Traditional Security for the Lottery, to allow for any background investigation that may have to be performed on any vendor's employees that will be replacing current vendor's personnel.

Grant Thornton is committed to providing the West Virginia Lottery with experienced personnel that will meet expectations. We take pride in our people and it shows. Our SAS 70 professionals undergo a

formal training program and are “certified” by the firm to work on SAS 70 engagements. Our combined experience and training help ensure that personnel assigned to the West Virginia Lottery SAS 70 engagement will have the appropriate experience. We understand that our proposed staffing assignments for the SAS 70 examination are subject to approval by the West Virginia State Lottery.

Should staffing changes occur, we will notify you of the change and propose a replacement. This will occur with sufficient time for the Lottery to assess qualifications and perform a background investigation of the proposed replacement.

RFQ 2.3**Accounting Records**

The vendor is required to maintain its books, records, and other evidence pertaining to the contract in accordance with Generally Accepted Accounting Principles. These records shall be available to the Lottery, its internal auditor or other designees at all times during the contract period and for a minimum of five (5) full years from the expiration date or the final payment of the contract, whichever is later.

Grant Thornton requests that Client audits of engagement related records occur during normal business hours with reasonable notification (i.e., 10 days), and a defined frequency (i.e., once a year).

3.0 Services required – scope

RFQ 3.1

The vendor will provide a review of the Lottery's service organization, the instant and online vendor, and provide a report in compliance with Statement of Auditing Standards No. 70 (SAS 70), as amended by SAS No. 78 and No. 88 – Reports on Controls Placed in Operation and Tests of Operating Effectiveness as described in the AICPA Professional Standards §324.41 through §324.56.

RFQ 3.2

The vendor will provide a report on policies, procedures, systems, security and data integrity measures placed into operation. The vendor will also test the operating effectiveness of these measures. This is a report on Scientific Games' description of its control structure policies, procedures, systems security and data integrity that may be relevant to the Lottery's internal control structure. Whether such policies, procedures, systems security and data integrity measures were suitably designed to achieve specified control objectives, whether they have been and currently are placed in operation and whether the policies and procedures that are being tested have been operating with sufficient effectiveness to provide reasonable assurance that the related control objectives have been achieved.

RFQ 3.3

The time period covered for any test should begin at the cutoff date for the last audit and continue through the last day of the period being audited.

RFQ 3.4

The vendor will review the current Lottery Games Operation Services contract and using standard testing/reviewing techniques, ensure the existing Online/Instant vendor is following contract guidelines.

RFQ 3.5

Additional substantive procedures to Lottery transactions at Scientific Games may be required. These areas of interest will be described by the Lottery upon contract award.

RFQ 3.6

Twenty-five (25) copies of the SAS 70 report must be provided for the use of the Lottery and its independent auditors and issued by August 31st of each year.

Grant Thornton accepts the conditions outlined in RFQ 3.1 through RFQ 3.6, and will provide the deliverables mentioned above.

4.0 Background and management

The vendor shall provide the following information or an indication that the information is not applicable to them and why not:

RFQ 4.1.1

Business name and address of the vendor submitting the quotation:

Grant Thornton LLP is headquartered at 175 West Jackson Boulevard, 20th Floor, Chicago, Illinois, 60604. The Mid-Atlantic office, comprised of offices in Baltimore, Maryland and McLean, Virginia, will be performing this engagement.

Grant Thornton LLP – McLean
2010 Corporate Ridge, Suite 400
McLean, Virginia 22102

Grant Thornton LLP - Baltimore
1 South Street, Suite 2400
Baltimore, Maryland 21201

RFQ 4.1.1a

If the vendor is a partnership, all of the general and limited partners.

Not applicable

RFQ 4.1.1b

If the vendor is a trust, the trustee and all persons entitled to receive income or benefit from the trust.

Not applicable

RFQ 4.1.1c

If the vendor is a limited liability company or limited liability partnership, the members, partners, officers and directors.

Grant Thornton LLP is a private, limited liability partnership. The firm is not a subsidiary of a parent organization nor is it an affiliate of a joint venture.

Our firm is comprised of 528 partners serving in 50 offices across the United States. Our senior leadership team is led by Chief Executive Officer Ed Nusbaum. Other members of Grant Thornton's Senior Leadership Team are as follows:

Lou Grabowsky, Central Region Managing Partner
Marty Cooperman, Northeast Region Managing Partner
Mike Hall, Midwest Region Managing Partner
Joel Anik, West Region Managing Partner

Brad Wilson, Chief Administrative Officer
Shelley Stein, Chief Operating Officer
Mark Stutman, National Managing Partner of Tax Services
Stan Levy, Southeast Region Managing Partner
Fred Walz, Chief Financial Officer
Russ Wieman, National Managing Partner of Assurance and Advisory Services
Peggy Zagel, General Counsel and National Managing Partner of RR & LA

RFQ 4.1.1d

If the vendor is an association, the members, officers and directors.

Not applicable

RFQ 4.1.1e

If the vendor is a corporation, the officers, directors, and each owner or holder, directly or indirectly, of any equity security or other evidence of ownership of any interest in the corporation; except that in the case of owners or holders of publicly held equity securities of a publicly traded corporation, only the names and addresses of those owning or holding five percent or more of the publicly held securities must be disclosed.

Not applicable

RFQ 4.1.1f

If the vendor is a subsidiary company, each intermediary company, holding company or parent company involved therewith and the officers, directors and stockholders of each; except that, in the case of owners or holders of publicly held securities of an intermediary company, holding company, or parent company that is a publicly traded corporation, only the names and addresses of those owning or holding five percent or more of the publicly held security must be disclosed.

Not applicable

RFQ 4.1.2

The type of business entity (e.g., corporation, partnership, etc.). If the vendor is a corporation, all states in which the vendor is authorized to do business and the nature of that business.

Grant Thornton is a private, limited liability partnership.

RFQ 4.1.3

The place of the vendor's incorporation, if any.

Grant Thornton LLP was incorporated in 1924 in Chicago, Illinois.

RFQ 4.1.4

The name, address, and telephone number of a representative to contact regarding all matters.

John D. Barnes, Advisory Services Partner
1 South Street, Suite 2400
Baltimore, MD 21201
(410) 244-3280

RFQ 4.1.5

The name and telephone number of all attorneys and law firms representing the vendor in the State of West Virginia, if any.

In the normal course of Grant Thornton's business as a national accounting firm, Grant Thornton may be made a party to litigation or become involved in investigations. Grant Thornton expects to resolve all pending matters without any material detrimental impact to the firm. Like most accounting firms of any size, Grant Thornton does not disclose or discuss its litigation or investigations. Litigation is generally disposed of in the normal course of business. Likewise, in the normal course of Grant Thornton's business as a national accounting firm, Grant Thornton and its clients may be contacted by state regulatory agencies or professional organizations with respect to either informal inquiries or formal investigations. These agencies typically do not reveal which parties are witnesses, and which are targets. As with litigation, Grant Thornton LLP does not disclose or discuss its contact with state regulatory entities or professional bodies and such issues are generally disposed of in the normal course of business.

RFQ 4.1.6

A list of jurisdictions which the vendor has contracts to supply gaming materials, equipment or services.

Grant Thornton provides ancillary services to the gaming industry through SAS 70s and background checks, but we do not provide any direct equipment, gaming materials, or services.

RFQ 4.1.7

The details of any conviction by a federal or any state court of the vendor or any person whose name and address is required under number 4.1.1 for a criminal offense punishable by imprisonment for more than one year and the submission of a full set of fingerprints of such person made at a law enforcement agency by an agent or officer of such agency on forms supplied by the Lottery. Forms will be provided at a vendor's request.

No members of your engagement team have been convicted by a federal or any state court for a criminal offense punishable by imprisonment for more than one year.

RFQ 4.1.8

The details of any disciplinary action taken by any state against the vendor or any person whose name and address is required under number 4.1.1 regarding any matter related to gaming services or the selling, leasing, offering for sale or lease, buying or servicing of gaming materials or equipment.

Not applicable

RFQ 4.1.9

The details of any disciplinary action taken by a state against the vendor or any person whose name and address are required by number 4.1.1 regarding any order, judgment or decree of any court of competent jurisdiction, federal, or state authority permanently or temporarily enjoining him from, or otherwise limiting his participating in any type of professional or business practice or activity (i.e., licenses, suspension and/or revocation of same).

Not applicable

RFQ 4.1.10

The details of any termination of a contract for any reason during the last five years.

To the best of Grant Thornton's knowledge, the firm has not had a services contract terminated for default by a client in the past five years. Grant Thornton's standard engagement terms provide that the firm may resign, suspend services or terminate an engagement under certain circumstances. In the normal course of Grant Thornton's business, the firm may occasionally deem it necessary to resign from engagements or suspend services on engagements due to legal or professional standards concerns. Such instances are infrequent and not as a result of poor performance or non-performance of services.

RFQ 4.1.11

The details of any assessment of penalties under any of its existing or past contracts, including the public jurisdiction, the reason for the penalties, and the penalty amount of each incident.

Not applicable

RFQ 4.1.12

Federal Employee Identification Number

Grant Thornton's Federal Employee Identification Number (FEIN) is 366055558.

RFQ 4.2**Vendor Experience**

The vendor shall be a licensed CPA firm with five (5) years of prior experience in SAS 70 review with the systems used by Scientific Games and by the Lottery or with comparable systems. The vendor may be required to show evidence of qualifications prior to any award. A vendor must furnish proof of its experience, competence and qualifications to provide the requested services to the satisfaction of the Lottery. Vendors should identify no less than two (2) comparable engagements, which have been conducted by the vendor over the past five years. These identified engagements will be used by the Lottery as technical references. The vendor should, therefore, indicate the names, titles, and telephone number of the persons to be contacted for purposes of obtaining references, if so desired by the Lottery. Subcontracts are not permissible.

In this section, we demonstrate our qualifications for providing SAS 70 review services with systems similar to those used by Scientific Games and by the Lottery by describing the details of several previous engagements. We also provide contact information the Lottery may use to validate our qualifications.

With net domestic revenues of more than \$1.8 billion last year, Grant Thornton employs a staff of more than 25,000 professionals and 2,270 partners servicing 110 countries. Through member firms across the globe, including 50 offices in the US, Grant Thornton provides expert source selection, acquisition management, accounting, financial management, performance improvement, information technology (IT), and advisory services. SAS 70 projects are an important part of our Advisory services practice and we will deploy the integrated, multi-disciplinary team of skilled professionals required to perform the SAS 70 review for the West Virginia Lottery.

We provide SAS 70 services to many clients in our Mid-Atlantic practice. We encourage you to speak with these references, which are able to attest to the level of service and quality Grant Thornton is offering to the West Virginia Lottery. We ask that you please notify us when you are ready to begin contacting our references. At this time, we will provide you with their contact information and notify them that they will soon be contacted.

Ms. Kathy Moore, Chief Financial Officer

Razorsight

Grant Thornton has provided readiness assistance, SAS 70 Type 1, and SAS 70 Type II services to Razorsight for the past three years. Razorsight’s On-Demand software helps leading communications service providers improve their profitability by optimizing network costs and maximizing revenue.

Mr. Christopher Davis, Associate

Steptoe & Johnson LLP

Grant Thornton provides SAS 70 Type II services for Steptoe & Johnson LLP. Our SAS 70 encompasses both business and IT-related controls.

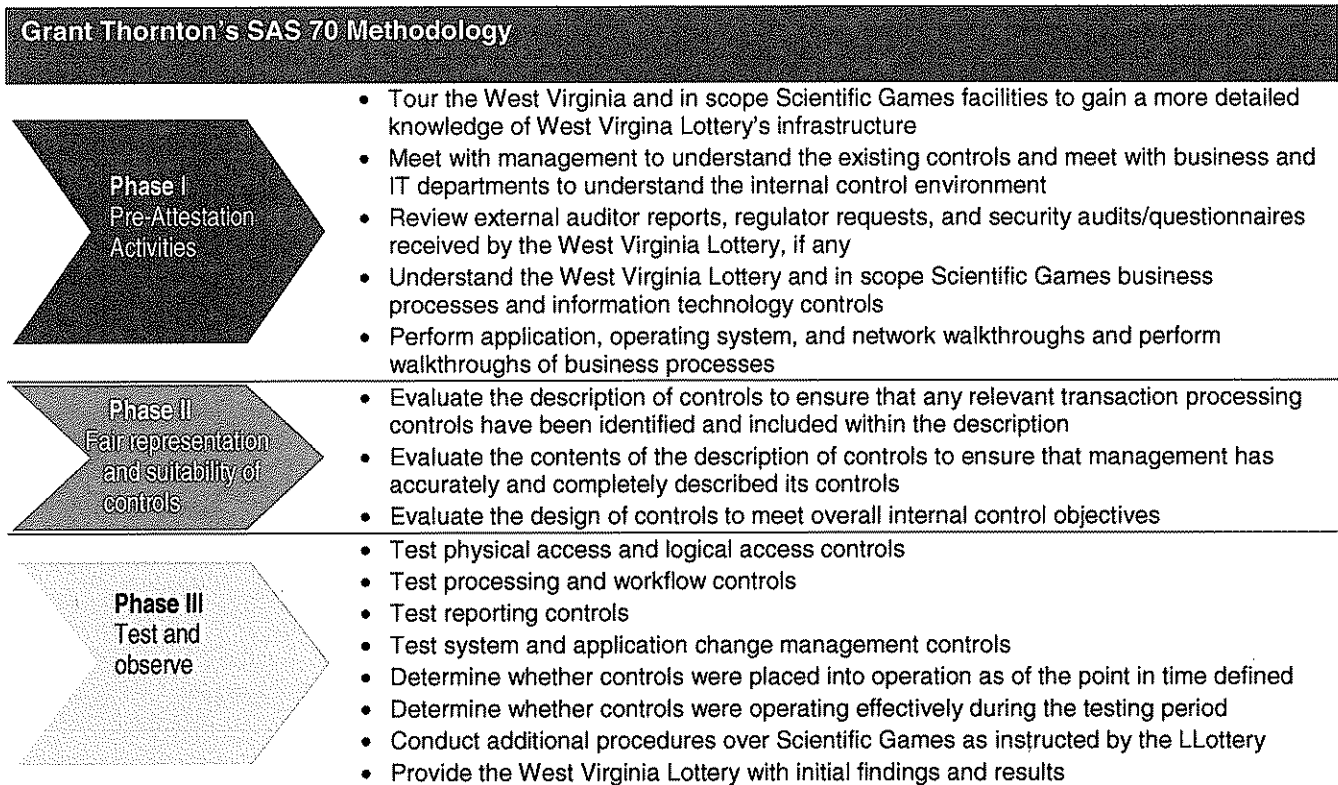
Mr. Dwayne Landry, Controller

MDI Entertainment LLC – Scientific Games Inc.

Grant Thornton successfully completed four SAS 70 reports for SGI in 2008. One of these SAS 70s was a new report for the Company. For the other three SAS 70s, SGI switched service providers from a Big Four accounting firm to Grant Thornton and noticed a significant difference in the level of service and value-add that Grant Thornton was able to provide. As opposed to completing a “check the box” audit, Grant Thornton’s team worked closely with SGI personnel to ensure that SGI was able to recognize the value of the audit and apply the information obtained throughout the process to improve their processes and control environments.

Our methodology

The Lottery will benefit from the simple but tested methodology we use for providing SAS 70 and related services to our clients.



Phase IV Report

- Prepare draft reports
- Review and finalize findings with management
- Issue final reports

Grant Thornton is committed to working with you to help you address your SAS 70 needs with the experience, thought leadership, resources and commitment that are necessary and appropriate for the West Virginia State Lottery. Grant Thornton employs professionals who are highly skilled and experienced in working on SAS 70 examinations, and in evaluating technology risks and controls from the viewpoints of the various stakeholders involved. We understand controls from both a business and technical perspective and can help you evaluate and understand the implications those controls (or lack of controls) will have on you and your customers. Our professionals are supported with our methodologies, tools and a wealth of experiences that are shared throughout our organization to help to maximize efficiencies and the value we provide to our clients. For example, our SAS 70 professionals will provide the benefit of a “fresh set of eyes” when reviewing your control objectives and activities. Often this enables new insight to the existing controls and can lead to increased efficiencies through a new perspective.

The ultimate success, efficiency and effectiveness of any engagement is highly dependent upon thorough and effective planning and communication. Given the number of personnel involved, coordinating the timely and consistent completion of all interviews, documentation requests and the related controls testing activities throughout the examination period can be a highly challenging task. We are committed to providing constant and transparent communication to the West Virginia State Lottery throughout the engagement. We believe this investment provides mutual benefits and leads to a “no surprise” examination.


For your reference, we have attached Grant Thornton’s standard terms for an engagement of this type as Attachment B, which we would seek to discuss with you should we be selected for the project.

RFQ 4.3

Personnel

A vendor must provide personnel resumes that include the name, home address, home telephone number, title, responsibilities, education, and accounting, auditing, and EDP experience, including at least five years of experience and details of any experience that relates to providing services similar to those described in this RFQ of all individuals, who will be assigned to work on any contract awarded pursuant to the RFQ, and the amount of time each will devote to such work. Sufficient detail must be provided to enable the Lottery to determine that the personnel assigned can perform the work specified in the RFQ. The Lottery reserves the right to select the employees assigned to work on this review.

You require a team that delivers a high level of technical knowledge and a commitment to quality service. Our engagement partners, John Barnes and Mike Mellor, and our engagement manager, Orus Dearman, have worked with many clients in the Mid-Atlantic area on both SAS 70 Type I and Type II projects. Brief resumes highlighting their individual experience are provided on the following pages.




John Barnes, CPA, CIA
Advisory Services Partner

10419 Ewell Avenue
Kensington, MD 20895
(301) 530-1285

John is a partner in Grant Thornton's Mid-Atlantic Advisory Services practice, and will serve as Engagement Partner for this engagement. He has over 12 years of combined experience in audit, tax, accounting, Sarbanes-Oxley and Internal Audit consulting services, including prior positions as a manager in a national accounting firm and a senior manager in an internal audit consulting firm.

John has served as the concurring partner on multiple SAS 70s and has worked with many organizations to strengthen their internal control environment. John's experiences at these locations included providing external audits and internal controls consulting within the COSO framework and coordinating such work with all of the "Big Four" accounting firms. He has managed complex multi-project engagements and the simultaneous execution of multiple engagements including progress reporting and deadline management. Prior Sarbanes-Oxley and internal audit engagement experience includes providing services in all phases to not-for-profit organizations, multi-national manufacturing firms, a software developer, government contractors, and retailers.

John has experience serving both public and private companies in the following industries: not-for-profit, manufacturing, software developers, technology, insurance, real estate, and health care providers. He is a member of the American Institute of Certified Public Accountants, the Maryland Association of Certified Public Accountants, and the Institute of Internal Auditors. He received a Bachelor of Science in Accounting from Pennsylvania State University, and a Master of Business Administration in International Business from the University of Maryland.



Mike Mellor, CPA
Partner, Mid-Atlantic Advisory Services Practice Leader

43600 Edison Club Court
Ashburn, VA 20147
(703) 753-6605

Mike leads the Advisory Services group for the Mid-Atlantic Practice, and will serve as the Concurring Partner for the West Virginia Lottery. He brings more than 17 years of experience serving as a trusted business and financial advisor and auditor to both public and private companies, ranging in size from entrepreneurial ventures to *Fortune 500* companies.

Mike has led SAS 70 engagements in the technology, services and not-for-profit industries. In addition, Mike is an experienced advisor to both public and pre-IPO companies with SEC reporting issues and complex business transactions. He often consults with senior-level executives to resolve control deficiencies and provided robust recommendations to remediate internal control weaknesses. In his role with Grant Thornton, he has delivered strong results by designing and implementing compliance programs for his clients.

Mike currently serves on the Board of Directors for the Professional Services Council and the Fairfax Symphony Orchestra. He has a Bachelor of Science in Business Administration with a concentration in Accounting, from Bryant University.

Orus Dearman, CISA
Advisory Services Senior Manager

17807 Marble Hill Pl
 Germantown, MD 20874
 (301) 515-7647

Orus will serve as the lead manager for the West Virginia Lottery SAS 70 project. As a senior manager with Grant Thornton's Mid-Atlantic Advisory Services practice, he focuses on the delivery of the AICPA WebTrust/SysTrust, SAS 70 examinations, Sarbanes-Oxley IT control assessments, and security assessments.

Orus leads SAS 70 and Trust Services examinations in the Mid-Atlantic area by guiding the team in assessing the design and suitability of management's control objectives and testing for operating effectiveness. He also assists management, in readiness reviews, in identifying and sufficiently documenting control objectives. Orus has extensive experience conducting SAS 70 examinations and IT controls assessments for clients both within the commercial sector and the Federal Government. Orus has also led IT controls assessments in accordance with COBIT and Federal guidelines within the United States and globally.

Orus is a member of the Institute of Internal Auditors, Information Systems Audit and Control Association, and the High Technology Crime Investigation Association. He is a graduate of West Virginia University with a Bachelor of Science in Business Administration and a major in Accounting, and also holds a Master's degree in Accounting from West Virginia University.

RFQ 4.4

Conflict of Interest

Each vendor must disclose any potential conflict of interest relative to the performance of the requirements of this RFQ. Any vendor's employees who are former Lottery or Scientific Games employees must be identified along with their position and responsibilities within the vendor's organization. Also, any personal or business relationship between the vendor, the principals, and employees assigned to the review and/or of their immediate families with any employee of the Lottery or Scientific Games must be disclosed. Any such relationship that might be perceived or represented as a conflict must be disclosed. If a conflict of interest does exist, the employee will be disqualified. Failure to disclose any such relationship may be cause for contract termination or disqualification of the quotation.

In the current atmosphere of corporate mistrust, it is vital that the relationship between Grant Thornton and its clients be founded on trust and independence. At Grant Thornton, we are extremely serious about perceived and real conflicts of interest. We are committed to championing professional independence matters and have established a vigilant independence quality control system exceeding the ethical standards of the AICPA, GAO and PCAOB.

To monitor and ensure the continued independence of our professionals and the firm, we maintain a complete Reportable Investments Listing and correspond with our partners, managers and staff as part of our normal weekly independence update. Our *Weekly Reporting of Reportable Investments* is not just a report, but a call for action. Each partner and professional is required to monitor the Reportable Investments Listing and to self-clear and self-report matters. Our current independence process entails an annual certification requiring a positive verification. We conduct random audits of partners' and managers' certifications to ensure compliance. These certifications will also include business relationships and employment relationships with AUI and any affiliated entities, including its officers, directors, and employees.

We also have adopted a threats and safeguards approach. This process requires a continuous assessment of the firm's independence combined with the appearance of independence, and communication with the audit committee at least quarterly if there is something to report. We utilize Audit Committee Independence Standards Board No. 1, "*Independence Discussions with Audit Committees*," which mandates certain written and oral communications to audit committees regarding judgmental matters that might bear on outside auditors' independence. During the planning stage of the audit, we will initiate a discussion regarding the audit committee's expectations with respect to the types of matters and relationships between the firm and AUI that may bear on our firm's independence.

Grant Thornton's Atlanta office currently performs a SAS 70 engagement for Scientific Games. We do not believe this relationship will create a conflict of interest between our firm and the West Virginia Lottery or any employee, officer or committee member of the Lottery that could lessen our independence and objectivity or prevent Grant Thornton's Mid-Atlantic practice from performing this engagement.

We will be pleased to discuss additional independence quality control policies and procedures with you. We take an active role in the standard-setting process, serving on various professional organizations and committees which is our commitment to you.

RFQ 4.5

Liability Insurance and Bond Coverage

The quotation must include a statement indicating the professional liability and general liability insurance that are carried by the vendor, including amounts of any per claim and aggregate limits, the amounts of deductibles, the name of the carrier, and the address of the carrier. In addition, a performance bond will be required equal to the amount of the bid.

Grant Thornton maintains professional liability insurance and general commercial liability insurance coverage for the provision of accounting and advisory services. The insurance coverage and limits are consistent with other national accounting firms of its size. Upon acceptance of Grant Thornton's proposal to provide services, and upon request, Grant Thornton will provide the Lottery with verification of professional liability insurance and/or a certificate of general commercial liability insurance.

RFQ 4.6

Prior to the submission of the initial quotation, any submitted to the Lottery prior to award of contract, any vendor who is submitting an initial quotation to, or who has submitted such within the preceding twelve (12) months, or who has a current contract with the State Lottery Commission or any State agency, board, or commission or political subdivision, for any major procurement, shall file with the West Virginia Secretary of State a detailed itemized disclosure statement, subscribed and sworn to before an officer authorized to administer oaths, setting forth each contribution to any local, State, or Federal political candidate or political committee in West Virginia, made in the preceding three (3) years, or a statement that no such contributions have been made. See W. Va. Code §29-22-24(b). A copy of any such statement shall also be supplied with the firm's quotation.

With respect to item 4.6, Political Disclosure, Grant Thornton requests clarification on the specific information or disclosures that must be provided to the West Virginia Secretary of State as well as clarification as to whether this RFP constitutes a "major procurement." In preparing our proposal, Grant Thornton contacted the West Virginia Secretary of State to verify the applicable requirements but we were unsuccessful in confirming what specific disclosures or statements are required.

For example, in 2007, the Grant Thornton Political Action Committee (Grant Thornton PAC) made a \$2,000 donation to the congressional campaign of Shelley Moore Capito, a West Virginia federal political candidate, a contribution which was properly reported to the Federal Election Commission (FEC). We are unclear as to whether this contribution must be disclosed to the West Virginia Secretary of State under this RFP. Therefore, we request the opportunity to discuss this matter further with the Lottery in order to ensure Grant Thornton's compliance with the applicable statutory requirements.

5.0 Addendum 1

...contingent upon funds being appropriated by the Legislature...


Grant Thornton understands that upon termination of the contract for any reason, including but not limited to failure to obtain sufficient funding or authorization, the West Virginia Lottery shall pay Grant Thornton for all services performed and expenses incurred up to the date of termination.

Attachment A – Cost proposal

Pricing: Flat Rate (consists of all charges and expenses including out-of-pocket travel, meals and lodging) for work required by the RFQ.

SAS 70 Review Services: \$70,000

I, hereby, commit Grant Thornton LLP to complete the tasks described in the Quotation for the SAS 70 Review of Scientific Games as required in the Request for Quotation by the West Virginia Lottery.

Print Officer Name: John D. Barnes
 Signature of Officer: 
 Title of Officer: Partner
 Date: February 5, 2009

We are committed to providing the West Virginia Lottery with the highest quality services at the best available price. You will receive a SAS 70 report within your designated time frame that fully considers your controls environment and adheres to current professional standards and guidance. We trust that you will find our pricing extremely fair and competitive. The fees above reflect your requirements and represent a fixed fee amount for our SAS 70 services. This pricing reflects a discount from our standard rates in anticipation of a long-term relationship with your organization.

Pricing is based on the following key assumptions:

- The Lottery will name a project owner to serve as our main contact.
- The Lottery management will be responsible for the appropriateness of the control objectives to be achieved and the controls over the processing of data of user organizations.
- The Lottery will respond timely to our requests for interviews and document requests.

Attachment B – Additional terms – SAS 70

The terms in this Attachment A apply to the letter describing the Services to be provided by Grant Thornton to (name of Company) dated (date) and are part of this Agreement. In the event that there is a conflict between the letter (or any other attachments to the letter) and this Attachment A, the terms of this Attachment A shall control. Any capitalized terms herein that are undefined shall have the meaning assigned to them elsewhere in the Agreement.

1 Business risk allocations

- a The Company shall, upon receipt of written notice, indemnify, defend and hold harmless Grant Thornton and its present, future and former partners, principals, directors, employees, agents and contractors from and against any liability and damages (including punitive damages), fees, expenses, losses, demands, and costs (including defense costs) associated with any claim arising from or relating to the Company's knowing misrepresentations or false or incomplete information provided to Grant Thornton.
- b With respect to the Services and this Agreement, in no event shall the liability of Grant Thornton and its present, future and former partners, principals, directors, employees, agents and contractors for any claim, including but not limited to Grant Thornton's own negligence, exceed the fees it receives for the portion of the work giving rise to such liability. This limitation shall not apply to the extent that it is finally determined that any claims, losses or damages are the result of Grant Thornton's gross negligence or willful misconduct. In addition, Grant Thornton shall not be liable for any special, consequential, incidental or exemplary damages or loss (nor any lost profits, interest, taxes, penalties, loss of savings or lost business opportunity) even if Grant Thornton was advised in advance of such potential damages.
- c In the event of any controversy or claim against Grant Thornton arising from or related to the Services described herein, Grant Thornton shall be entitled, at its option, to defend itself from such controversy or claim and to participate in any settlement, administrative or judicial proceedings.
- d The terms of this Section 1 shall apply to any type of claim asserted, including contract, statute, tort, or strict liability, whether by the Company, Grant Thornton or others.
- e If because of a change in the Company's status or due to any other reason, any provision in this Agreement would be prohibited by, or would impair our independence under, laws, regulations or published interpretations by governmental bodies, commissions, or other regulatory agencies, such

provision shall, to that extent, be of no further force and effect and the Agreement shall consist of the remaining portions.

2 Scope of work

Grant Thornton shall be obligated only for the Services described in this Agreement, and only for changes in such scope that are set forth in writing and duly executed by the parties hereto. To the extent the scope of the engagement is not appropriately documented, the parties shall work diligently and in good faith to document the necessary details at the request of either party. Except with respect to a dispute or litigation between Grant Thornton and the Company, Grant Thornton's costs, expenses and time spent in legal and regulatory matters or proceedings arising from this Agreement, such as subpoenas, testimony, bankruptcy fee filings, consultation involving private litigation, arbitration, government or industry regulation inquiries, whether made at your request, the request of a third party or by subpoena or equivalent will be billed to the Company separately at our standard rates for such services.

3 Ability to perform

Neither party shall be liable for any delay or failure in performance due to circumstances beyond its reasonable control. However, it is possible that because of unexpected circumstances we may determine that we cannot complete our Services. If, in our professional judgment, such circumstances exist, we may resign from this engagement prior to completion without incurring any liability to you. In addition, Grant Thornton reserves the right to in whole or in part decline to perform Services if information comes to our attention indicating that performing any Services could cause us to be in violation of applicable law, regulations or standards or in a conflict of interest, or to suffer damage to our reputation.

4 Standards of performance

We will perform our Services in conformity with the terms expressly set forth in this Agreement, including all applicable professional standards. Accordingly, our Services shall be evaluated solely on our substantial conformance with such terms and standards. Any claim of nonconformance (and applicability of such standards) must be clearly and convincingly shown. The Company acknowledges that the Services will involve the participation and cooperation of management and others of the Company. Unless required by professional standards or the Company and Grant Thornton agree otherwise, in writing, Grant Thornton shall have no responsibility to update any of its work after its completion.

5 Successors and affiliates

- a Except to the extent expressly provided hereto to the contrary, no third-party beneficiaries are intended under this Agreement.
- b This Agreement is binding on each party hereto and on each of its successors, assigns, heirs, legatees and legal representatives.
- c The Company shall not assign any rights, obligations or claims relating to this Agreement.

6 Electronic communications

During the course of the Services, Grant Thornton or the Company may need to electronically transmit confidential information to each other and to other entities engaged by either party. E-mail is not a secure means of communication and thus, confidentiality could be compromised. The Company agrees

to the use of e-mail and other electronic methods to transmit and receive information, including confidential information, between Grant Thornton and the Company and between Grant Thornton and any third-party service providers or other entities engaged by either Grant Thornton or the Company.

7 Payment obligations

If the Company breaches any payment obligation under this Agreement, and such breach is not cured within fifteen (15) days of its receipt of written notice of such breach, we may immediately (a) suspend performance of the Services, (b) change the payment conditions under this Agreement so that the Company must pay us weekly and in advance or (c) terminate this Agreement. If we elect to suspend our performance due to nonpayment, the Services will not be resumed until your account is paid as agreed. Alternatively, if we elect to terminate the Services due to nonpayment, you will be obligated to compensate us for all time expended and to reimburse us for all expenses through the date of termination.

8 Other responsibilities

- a The documentation for this engagement is the property of Grant Thornton and constitutes confidential information. We have a responsibility to retain the documentation for a period of time sufficient to satisfy any applicable legal or regulatory requirements for records retention. However, we may be requested to make certain documentation available to regulators, governmental agencies or their representatives (“Regulators”) pursuant to law or regulations.) If requested, access to the documentation will be provided to the Regulator(s) under the supervision of Grant Thornton personnel and at a location designated by us. Furthermore, upon request, we may provide photocopies of selected documentation to the Regulator(s). The Regulator(s) may intend, or decide, to distribute the photocopies or information contained therein to others, including other governmental agencies. The Company hereby acknowledges we will allow and authorizes us to allow the Regulator(s) access to, and photocopies of, the documentation in the manner discussed above.
- b The Company will remain responsible for the care and control of its premises, for all internal books and record keeping, for establishing and maintaining effective internal control and for all management functions, responsibilities and decisions.
- c Unless otherwise specified herein, the Company shall obtain for Grant Thornton on a timely basis any internal and third-party permissions, licenses or approvals that are required for Grant Thornton to perform the Services (including use of any necessary software or data). The Company shall also provide Grant Thornton, on a timely basis, with such information, approvals and assistance as may be necessary to Grant Thornton’s work or as Grant Thornton may reasonably request, and Grant Thornton’s personnel assigned to any work hereunder shall not be assumed or deemed to have knowledge of information provided to others, whether external to or within Grant Thornton.

9 General

- a The Company may not use Grant Thornton’s name or trademarks without our prior written consent.

- b Each party is an independent contractor with respect to the other and shall not be construed as having a trustee, joint venture, agency or fiduciary relationship.
- c Any controversy or claim arising out of or relating to the Services, related fees or this Agreement shall first be submitted to mediation. A mediator will be selected by agreement of the parties, or if the parties cannot agree, a mediator acceptable to all parties will be appointed by the American Arbitration Association (“AAA”). The mediation will proceed in accordance with the customary practice of mediation. In the unlikely event that any dispute or claim cannot be resolved by mediation, we both recognize that the matter will probably involve complex business or accounting issues that would be decided most equitably to us both by a judge hearing evidence without a jury. Accordingly, to the extent now or hereafter permitted by applicable law, the Company and Grant Thornton agree to waive any right to trial by jury in any action, proceeding or counterclaim arising out of or relating to the Services or this Agreement.

If the above jury trial waiver is determined to be prohibited by applicable law, then the parties agree that the dispute or claim shall be settled by binding arbitration. The arbitration proceeding shall take place in the city in which the Grant Thornton office providing the relevant Services is located unless the parties mutually agree to a different location. The proceeding shall be governed by the provisions of the Federal Arbitration Act (“FAA”) and will proceed in accordance with the then current Arbitration Rules for Professional Accounting and Related Disputes of the AAA, except that no pre-hearing discovery shall be permitted unless specifically authorized by the arbitrator. The arbitrator will be selected from AAA, JAMS, the Center for Public Resources or any other internationally or nationally-recognized organization mutually agreed upon by the parties. Potential arbitrator names will be exchanged within 15 days of the parties’ agreement to settle the dispute or claim by binding arbitration, and arbitration will thereafter proceed expeditiously. The arbitration will be conducted before a single arbitrator, experienced in accounting and attest matters. The arbitrator shall have no authority to award non-monetary or equitable relief and will not have the right to award punitive damages. The award of the arbitration shall be in writing and shall be accompanied by a well reasoned opinion. The award issued by the arbitrator may be confirmed in a judgment by any federal or state court of competent jurisdiction. Each party shall be responsible for their own costs associated with the arbitration, except that the costs of the arbitrator shall be equally divided by the parties. The arbitration proceeding and all information disclosed during the arbitration shall be maintained as confidential, except as may be required for disclosure to professional or regulatory bodies or in a related confidential arbitration.

- d This Agreement, including its formation and the parties’ respective rights and duties, and all disputes that might arise from or in connection with this Agreement or its subject matter shall be governed by and construed in accordance with the laws of Illinois, without giving effect to conflicts of laws rules.
- e This Agreement, including any other incorporated attachments, sets forth the entire understanding between and among the parties regarding the Services and supersedes all prior and contemporaneous agreements, arrangements and communications and may not be modified or amended except by the mutual written agreement of both parties. If any portion of this Agreement is held invalid, it is agreed that such invalidity shall not affect any of the remaining portions.

10 Relationship to Grant Thornton International Ltd

Grant Thornton is the U.S. member firm of Grant Thornton International Ltd (“GTI”), a global organization of member firms in over 100 countries. Member firms are not members of one international partnership or otherwise legal partners with each other. There is no common ownership, control, governance, or agency relationship between member firms.

11 Use of third-party service providers

Grant Thornton may use third-party service providers, such as independent contractors, specialists or vendors, to assist in providing our professional services. The partners and staff of GTI member firms or other accounting firms are also considered third-party service providers.

12 Hiring of personnel

When we lose a valued member of our engagement team, we incur significant expenses in hiring and training replacements. Also, in some situations, a client’s employment of an engagement team member may raise independence issues. Accordingly, during the term of this engagement and for a period of one (1) year after the Services are completed, the Company agrees not to solicit, directly or indirectly, or hire any of our personnel who participate in this engagement without our express written consent. If this provision is violated, the Company will pay Grant Thornton a fee equal to the hired person’s annual salary in effect at the time of the violation (unless a greater amount is contemplated in another existing engagement letter between us and the Company) to reimburse us for the costs of hiring and training replacement personnel.



State of West Virginia
 Department of Administration
 Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

Request for Quotation

RFQ NUMBER
 LOT448

PAGE
 1

ADDRESS CORRESPONDENCE TO ATTENTION OF
 SHELLY MURRAY
 304-558-8801

RFQ COPY

TYPE NAME/ADDRESS HERE

GRANT THORNTON LLP
 2010 Corporate Ridge
 Suite 400
 McLean, VA 22102

SHIP TO
 LOTTERY COMMISSION

312 MACCORKLE AVENUE, SE
 CHARLESTON, WV
 25314-1143 558-0500

DATE PRINTED	TERMS OF SALE	SHIP VIA	FOB	FREIGHT TERMS
12/23/2008				

ENDING DATE: 01/29/2009 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>THE WV PURCHASING DIVISION, FOR THE AGENCY, THE WV LOTTERY, IS SOLICITING BIDS TO PROVIDE AUDITING SERVICES IN ACCORDANCE WITH SAS 70 REQUIREMENTS PER THE ATTACHED SPECIFICATIONS.</p> <p>TECHNICAL QUESTIONS MUST BE SUBMITTED IN WRITING TO SHELLY MURRAY IN THE WV PURCHASING DIVISION VIA MAIL AT THE ADDRESS SHOWN AT THE TOP OF THIS RFQ, VIA FAX AT 304-558-4115, OR VIA EMAIL AT SHELLY.L.MURRAY@WV.GO DEADLINE FOR ALL TECHNICAL QUESTIONS IS 01/13/2008 AT THE CLOSE OF BUSINESS. ALL TECHNICAL QUESTIONS RECEIVED, IF ANY, WILL BE ANSWERED BY ADDENDUM AFTER THE DEADLINE.</p> <p>QUESTIONS CONCERNING THE ACTUAL PROCESS BY WHICH A VENDOR MAY SUBMIT A BID TO THE STATE OF WV ARE NOT CONSIDERED TO BE TECHNICAL QUESTIONS AND MAY BE SUBMITTED AT ANY TIME PRIOR TO THE RFQ OPENING DATE AND IN ANY FORMAT.</p>						
	1	LS	946-20			
	AUDITING SERVICES					
	EXHIBIT 3					
	LIFE OF CONTRACT: THIS CONTRACT BECOMES EFFECTIVE UPON AWARD AND EXTENDS FOR A PERIOD OF ONE (1) YEAR OR UNTIL SUCH "REASONABLE TIME" THEREAFTER AS IS NECESSARY TO OBTAIN A NEW CONTRACT OR RENEW THE					

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

BUYER: John Barnes
 TELEPHONE: 410-224-3280
 DATE: 2/3/09

FEIN: 366055558

ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



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RFQ NUMBER
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2

ADDRESS CORRESPONDENCE TO ATTENTION OF
SHELLY MURRAY 304-558-8801

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TYPE NAME/ADDRESS HERE
GRANT THORNTON LLP
 2010 Corporate Ridge
 Suite 400
 McLean, VA 22102

SHIP TO
 LOTTERY COMMISSION
 312 MACCORKLE AVENUE, SE
 CHARLESTON, WV
 25314-1143 558-0500

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
12/23/2008				

OPENING DATE: 01/29/2009 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
<p>ORIGINAL CONTRACT. THE "REASONABLE TIME" PERIOD SHALL NOT EXCEED TWELVE (12) MONTHS. DURING THIS "REASONABLE TIME" THE VENDOR MAY TERMINATE THIS CONTRACT FOR ANY REASON UPON GIVING THE DIRECTOR OF PURCHASING 30 DAYS WRITTEN NOTICE.</p> <p>UNLESS SPECIFIC PROVISIONS ARE STIPULATED ELSEWHERE IN THIS CONTRACT DOCUMENT, THE TERMS, CONDITIONS AND PRICING SET HEREIN ARE FIRM FOR THE LIFE OF THE CONTRACT.</p> <p>RENEWAL: THIS CONTRACT MAY BE RENEWED UPON THE MUTUAL WRITTEN CONSENT OF THE SPENDING UNIT AND VENDOR, SUBMITTED TO THE DIRECTOR OF PURCHASING THIRTY (30) DAYS PRIOR TO THE EXPIRATION DATE. SUCH RENEWAL SHALL BE IN ACCORDANCE WITH THE TERMS AND CONDITIONS OF THE ORIGINAL CONTRACT AND SHALL BE LIMITED TO TWO (2) ONE (1) YEAR PERIODS.</p> <p>CANCELLATION: THE DIRECTOR OF PURCHASING RESERVES THE RIGHT TO CANCEL THIS CONTRACT IMMEDIATELY UPON WRITTEN NOTICE TO THE VENDOR IF THE COMMODITIES AND/OR SERVICES SUPPLIED ARE OF AN INFERIOR QUALITY OR DO NOT CONFORM TO THE SPECIFICATIONS OF THE BID AND CONTRACT HEREIN.</p> <p>OPEN MARKET CLAUSE: THE DIRECTOR OF PURCHASING MAY AUTHORIZE A SPENDING UNIT TO PURCHASE ON THE OPEN MARKET, WITHOUT THE FILING OF A REQUISITION OR COST ESTIMATE, ITEMS SPECIFIED ON THIS CONTRACT FOR IMMEDIATE DELIVERY IN EMERGENCIES DUE TO UNFORESEEN CAUSES (INCLUDING BUT NOT LIMITED TO DELAYS IN TRANSPORTATION OR AN UNANTICIPATED INCREASE IN THE VOLUME OF WORK.)</p> <p>BANKRUPTCY: IN THE EVENT THE VENDOR/CONTRACTOR FILES FOR BANKRUPTCY PROTECTION, THIS CONTRACT IS AUTOMATI-</p>						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE <i>John Barnes</i> Partner	TELEPHONE	DATE
	366055558	410-244-3280

ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



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Request for Quotation

RFQ NUMBER
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ADDRESS CORRESPONDENCE TO ATTENTION OF
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DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
12/23/2008				

OPENING DATE: 01/29/2009 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
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CALLY NULL AND VOID, AND IS TERMINATED WITHOUT FURTHER ORDER.

THE TERMS AND CONDITIONS CONTAINED IN THIS CONTRACT SHALL SUPERSEDE ANY AND ALL SUBSEQUENT TERMS AND CONDITIONS WHICH MAY APPEAR ON ANY ATTACHED PRINTED DOCUMENTS SUCH AS PRICE LISTS, ORDER FORMS, SALES AGREEMENTS OR MAINTENANCE AGREEMENTS, INCLUDING ANY ELECTRONIC MEDIUM SUCH AS CD-ROM.

NOTICE

A SIGNED BID MUST BE SUBMITTED TO:

DEPARTMENT OF ADMINISTRATION
 PURCHASING DIVISION
 BUILDING 15
 2019 WASHINGTON STREET, EAST
 CHARLESTON, WV 25305-0130

THE BID SHOULD CONTAIN THIS INFORMATION ON THE FACE OF THE ENVELOPE OR THE BID MAY NOT BE CONSIDERED:

SEALED BID

BUYER: SHELLY MURRAY / FILE 31
 RFQ. NO.: LOT448
 BID OPENING DATE: 01/29/2009
 BID OPENING TIME: 1:30 PM

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

SIGNATURE <i>John Barnes</i> Partner	TELEPHONE 410-244-3280	DATE 2/3/09
FEIN 366055558	ADDRESS CHANGES TO BE NOTED ABOVE	

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



State of West Virginia
 Department of Administration
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 2019 Washington Street East
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Request for Quotation

RFQ NUMBER
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ADDRESS CORRESPONDENCE TO ATTENTION OF:
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S H I P T O

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312 MACCORKLE AVENUE, SE
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DATE PRINTED	TERMS OF SALE	SHIP VIA	FOB	FREIGHT TERMS
12/23/2008				

ENDING DATE: 01/29/2009 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
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PLEASE PROVIDE A FAX NUMBER IN CASE IT IS NECESSARY TO CONTACT YOU REGARDING YOUR BID:

CONTACT PERSON (PLEASE PRINT CLEARLY):

***** THIS IS THE END OF RFQ LOT448 ***** TOTAL:

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

NAME <i>John Barnes</i> Partner		TELEPHONE <i>410-244-3280</i>	DATE <i>2/3/09</i>
FEIN <i>366055558</i>		ADDRESS CHANGES TO BE NOTED ABOVE	

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State of West Virginia
 Department of Administration
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 2019 Washington Street East
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**Request for
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RFQ NUMBER
 LOT448

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 1

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DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
01/16/2009				

OPENING DATE: 01/29/2009 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
----- ADDENDUM NO. 1 -----						
THIS ADDENDUM IS ISSUED TO ADDRESS THE QUESTIONS SUBMITTED PRIOR TO THE QUESTION SUBMISSION DEADLINE OF 01/13/2008.						
ATTACHMENT: QUESTIONS AND RESPONSES						
THE BID OPENING DATE REMAINS: 01/29/2009						
	1	LS		946-20		
AUDITING SERVICES						
EXHIBIT 10						
REQUISITION NO.: LOT448						
ADDENDUM ACKNOWLEDGEMENT						
I HEREBY ACKNOWLEDGE RECEIPT OF THE FOLLOWING CHECKED ADDENDUM(S) AND HAVE MADE THE NECESSARY REVISIONS TO MY PROPOSAL, PLANS AND/OR SPECIFICATION, ETC.						
ADDENDUM NO.'S:						
NO. 1						
NO. 2						
NO. 3						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

BY: *John Barnes* TELEPHONE 410-244-3280 DATE 2/3/09
 Partner FEIN 366055558 ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'



State of West Virginia
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 25314-1143 558-0500

DATE PRINTED	TERMS OF SALE	SHIP VIA	FOB	FREIGHT TERMS
01/16/2009				

ENDING DATE: 01/29/2009 BID OPENING TIME 01:30PM

LINE	QUANTITY	UCP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
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NO. 4
 NO. 5

I UNDERSTAND THAT FAILURE TO CONFIRM THE RECEIPT OF THE ADDENDUM(S) MAY BE CAUSE FOR REJECTION OF BIDS.

VENDOR MUST CLEARLY UNDERSTAND THAT ANY VERBAL REPRESENTATION MADE OR ASSUMED TO BE MADE DURING ANY ORAL DISCUSSION HELD BETWEEN VENDOR'S REPRESENTATIVES AND ANY STATE PERSONNEL IS NOT BINDING. ONLY THE INFORMATION ISSUED IN WRITING AND ADDED TO THE SPECIFICATIONS BY AN OFFICIAL ADDENDUM IS BINDING.

.....
 SIGNATURE
Grant Thornton LLP
 COMPANY
 2/3/09
 DATE

REV. 11/96

----- END OF ADDENDUM NO. 1 -----

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

BY *John Barnes* TELEPHONE 410-244-3280 DATE 2/3/09

FEIN 366055558 ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'

WEST VIRGINIA LOTTERY

RFQ LOT448

ADDENDUM #1

Question:

Will the audit period be July 1, 2008 through June 30, 2009?

Response:

Yes

Question:

When will the West Virginia Lottery's contract with Scientific Games end and the contract with the new Service Organization begin?

Response:

The current contract expires June 28, 2009 with the new contract becoming effective June 29, 2009.

Question:

If the contract with the new Service Organization begins before June 30, 2009, will an audit of the description of controls, policies, procedures, etc. be required of the new Service Organization and should it be included in our proposal?

Response:

No

Question:

With a pending upcoming transition to a new Service Organization, will existing, experienced management and staff from the Scientific Games be available to auditors during planning and fieldwork in Charleston, West Virginia? Would access to such management and staff be limited in any way – time, location, etc?

Response:

Yes, but will be limited.

Question

Has the hot spot site (White Hall, WV) been utilized for the audit period to date? If so, what was the duration of time that the site was utilized?

Response:

Yes, 24/7/365

Question:

Will the previous audit's report/workpapers be available for review and inspection? Will a copy of the 2008 SAS 70 be provided? If not, can the "Controls Description" section, which is the responsibility of WV, be shared?

Response:

The Lottery will provide the report, but does not have access to work-papers.

Question:

Is the connection between the retailer point of sale systems and the Central Systems live or batched?

Response:

Live

Question:

Which system, OMINIPOINT/INTEGRA or Central Systems, actually performs the validation of lottery tickets (instant and on-online)?

Response:

Ominipoint = Instant, Integra = Instant & Online. Both talk to the central system before validation.

Question:

What services are contracted/out sourced by Scientific Games related to in scope services being reviewed?

Response:

An electronic copy of this RFQ is not available.



State of West Virginia
 Department of Administration
 Purchasing Division
 2019 Washington Street East
 Post Office Box 50130
 Charleston, WV 25305-0130

Request for Quotation

RFQ NUMBER:
 LOT448

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 1

ADDRESS CORRESPONDENCE TO ATTENTION OF:
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 304-558-8801

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GRANT THORNTON LLP
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 McLean, VA 22102

LOTTERY COMMISSION

312 MACCORKLE AVENUE, SE
 CHARLESTON, WV
 25314-1143 558-0500

DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
01/22/2009				

BID OPENING DATE: 02/05/2009 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
----- ADDENDUM NO. 2 -----						
THIS ADDENDUM IS ISSUED TO MODIFY A RESPONSE FROM A QUESTION IN ADDENDUM NO. 1.						
ATTACHMENT: QUESTION AND REVISED RESPONSE						
THE BID OPENING DATE IS CHANGED:						
FROM: 01/29/2009						
TO : 02/05/2009						
	1	LS		946-20		
AUDITING SERVICES						
EXHIBIT 10						
REQUISITION NO. : LOT448						
ADDENDUM ACKNOWLEDGEMENT						
I HEREBY ACKNOWLEDGE RECEIPT OF THE FOLLOWING CHECKED ADDENDUM(S) AND HAVE MADE THE NECESSARY REVISIONS TO MY PROPOSAL, PLANS AND/OR SPECIFICATION, ETC.						
ADDENDUM NO. 'S:						

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

BY: John Barnes TELEPHONE: 410-244-3280 DATE: 2/3/09
 FEIN: 366055558 ADDRESS CHANGES TO BE NOTED ABOVE

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 304-558-8801

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 2010 Corporate Ridge
 Suite 400
 McLean, VA 22102

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LOTTERY COMMISSION
 312 MACCORKLE AVENUE, SE
 CHARLESTON, WV
 25314-1143 558-0500


DATE PRINTED	TERMS OF SALE	SHIP VIA	F.O.B.	FREIGHT TERMS
01/22/2009				

OPENING DATE: 02/05/2009 BID OPENING TIME 01:30PM

LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
NO. 1					
NO. 2					
NO. 3					
NO. 4					
NO. 5					

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 SIGNATURE
 Grant Thornton LLP
 COMPANY
 2/3/09
 DATE

REV. 11/96

----- END OF ADDENDUM NO. 2 -----

SEE REVERSE SIDE FOR TERMS AND CONDITIONS

BY:  PARTNER
 TELEPHONE: 410-244-3280
 DATE: 2/2/09
 FEIN: 36605558
 ADDRESS CHANGES TO BE NOTED ABOVE

WHEN RESPONDING TO RFQ, INSERT NAME AND ADDRESS IN SPACE ABOVE LABELED 'VENDOR'

WEST VIRGINIA LOTTERY

RFQ LOT448

ADDENDUM #2

Question

Will WV share the prior year SAS 70 cost or number of hours? If so, what was the cost, and/or level of effort in hours, for the 2008 SAS 70?

Response

Cost: \$29,500.00

Number of hours not known.

STATE OF WEST VIRGINIA
Purchasing Division**PURCHASING AFFIDAVIT****VENDOR OWING A DEBT TO THE STATE:**

West Virginia Code §5A-3-10a provides that: No contract or renewal of any contract may be awarded by the state or any of its political subdivisions to any vendor or prospective vendor when the vendor or prospective vendor or a related party to the vendor or prospective vendor is a debtor and the debt owed is an amount greater than one thousand dollars in the aggregate.

PUBLIC IMPROVEMENT CONTRACTS & DRUG-FREE WORKPLACE ACT:

West Virginia Code §21-1D-5 provides that: Any solicitation for a public improvement construction contract shall require each vendor that submits a bid for the work to submit at the same time an affidavit that the vendor has a written plan for a drug-free workplace policy in compliance with Article 1D, Chapter 21 of the West Virginia Code. A public improvement construction contract may not be awarded to a vendor who does not have a written plan for a drug-free workplace policy in compliance with Article 1D, Chapter 21 of the West Virginia Code and who has not submitted that plan to the appropriate contracting authority in timely fashion. For a vendor who is a subcontractor, compliance with Section 5, Article 1D, Chapter 21 of the West Virginia Code may take place before their work on the public improvement is begun.

ANTITRUST:

In submitting a bid to any agency for the state of West Virginia, the bidder offers and agrees that if the bid is accepted the bidder will convey, sell, assign or transfer to the state of West Virginia all rights, title and interest in and to all causes of action it may now or hereafter acquire under the antitrust laws of the United States and the state of West Virginia for price fixing and/or unreasonable restraints of trade relating to the particular commodities or services purchased or acquired by the state of West Virginia. Such assignment shall be made and become effective at the time the purchasing agency tenders the initial payment to the bidder.

I certify that this bid is made without prior understanding, agreement, or connection with any corporation, firm, limited liability company, partnership or person or entity submitting a bid for the same materials, supplies, equipment or services and is in all respects fair and without collusion or fraud. I further certify that I am authorized to sign the certification on behalf of the bidder or this bid.

LICENSING:

Vendors must be licensed and in good standing in accordance with any and all state and local laws and requirements by any state or local agency of West Virginia, including, but not limited to, the West Virginia Secretary of State's Office, the West Virginia Tax Department, West Virginia Insurance Commission, or any other state agencies or political subdivision. Furthermore, the vendor must provide all necessary releases to obtain information to enable the Director or spending unit to verify that the vendor is licensed and in good standing with the above entities.

CONFIDENTIALITY:

The vendor agrees that he or she will not disclose to anyone, directly or indirectly, any such personally identifiable information or other confidential information gained from the agency, unless the individual who is the subject of the information consents to the disclosure in writing or the disclosure is made pursuant to the agency's policies, procedures and rules. Vendors should visit www.state.wv.us/admin/purchase/privacy for the Notice of Agency Confidentiality Policies.

Under penalty of law for false swearing (West Virginia Code §61-5-3), it is hereby certified that the vendor acknowledges the information in this said affidavit and is in compliance with the requirements as stated.

Vendor's Name: Grant Thornton LLP

Authorized Signature:  Date: Feb 4, 2009



Grant Thornton

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