



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

VENDOR

RFQ COPY  
 TYPE NAME/ADDRESS HERE

SHIP TO

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

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

BID 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						
0001	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

SIGNATURE	TELEPHONE	DATE
TITLE	FEIN	ADDRESS CHANGES TO BE NOTED ABOVE

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

**GENERAL TERMS & CONDITIONS  
REQUEST FOR QUOTATION (RFQ) AND REQUEST FOR PROPOSAL (RFP)**

1. Awards will be made in the best interest of the State of West Virginia.
2. The State may accept or reject in part, or in whole, any bid.
3. All quotations are governed by the *West Virginia Code* and the *Legislative Rules* of the Purchasing Division.
4. Prior to any award, the apparent successful vendor must be properly registered with the Purchasing Division and have paid the required \$125 fee.
5. All services performed or goods delivered under State Purchase Order/Contracts are to be continued for the term of the Purchase Order/Contracts, contingent upon funds being appropriated by the Legislature or otherwise being made available. In the event funds are not appropriated or otherwise available for these services or goods, this Purchase Order/Contract becomes void and of no effect after June 30.
6. Payment may only be made after the delivery and acceptance of goods or services.
7. Interest may be paid for late payment in accordance with the *West Virginia Code*.
8. Vendor preference will be granted upon written request in accordance with the *West Virginia Code*.
9. The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.
10. The Director of Purchasing may cancel any Purchase Order/Contract upon 30 days written notice to the seller.
11. The laws of the State of West Virginia and the *Legislative Rules* of the Purchasing Division shall govern all rights and duties under the Contract, including without limitation the validity of this Purchase Order/Contract.
12. Any reference to automatic renewal is hereby deleted. The Contract may be renewed only upon mutual written agreement of the parties.
13. **BANKRUPTCY:** In the event the vendor/contractor files for bankruptcy protection, this Contract may be deemed null and void, and terminated without further order.
14. **HIPAA BUSINESS ASSOCIATE ADDENDUM:** The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, and available online at the Purchasing Division's web site (<http://www.state.wv.us/admin/purchase/vrc/hipaa.htm>) is hereby made part of the agreement. Provided that, the Agency meets the definition of a Cover Entity (45 CFR §160.103) and will be disclosing Protected Health Information (45 CFR §160.103) to the vendor.
15. **WEST VIRGINIA ALCOHOL & DRUG-FREE WORKPLACE ACT:** If this Contract constitutes a public improvement construction contract as set forth in Article 1D, Chapter 21 of the West Virginia Code ("The West Virginia Alcohol and Drug-Free Workplace Act"), then the following language shall hereby become part of this Contract: "The contractor and its subcontractors shall implement and maintain a written drug-free workplace policy in compliance with the West Virginia Alcohol and Drug-Free Workplace Act, as set forth in Article 1D, Chapter 21 of the West Virginia Code. The contractor and its subcontractors shall provide a sworn statement in writing, under the penalties of perjury, that they maintain a valid drug-free work place policy in compliance with the West Virginia and Drug-Free Workplace Act. It is understood and agreed that this Contract shall be cancelled by the awarding authority if the Contractor: 1) Fails to implement its drug-free workplace policy; 2) Fails to provide information regarding implementation of the contractor's drug-free workplace policy at the request of the public authority; or 3) Provides to the public authority false information regarding the contractor's drug-free workplace policy."

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**INSTRUCTIONS TO BIDDERS**

1. Use the quotation forms provided by the Purchasing Division.
2. **SPECIFICATIONS:** Items offered must be in compliance with the specifications. Any deviation from the specifications must be clearly indicated by the bidder. Alternates offered by the bidder as **EQUAL** to the specifications must be clearly defined. A bidder offering an alternate should attach complete specifications and literature to the bid. The Purchasing Division may waive minor deviations to specifications.
3. Complete all sections of the quotation form.
4. Unit prices shall prevail in case of discrepancy.
5. All quotations are considered F.O.B. destination unless alternate shipping terms are clearly identified in the quotation.
6. **BID SUBMISSION:** All quotations must be delivered by the bidder to the office listed below prior to the date and time of the bid opening. Failure of the bidder to deliver the quotations on time will result in bid disqualifications: Department of Administration, Purchasing Division, 2019 Washington Street East, P.O. Box 50130, Charleston, WV 25305-0130



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 Department of Administration  
 Purchasing Division  
 2019 Washington Street East  
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LINE	QUANTITY	UOP	CAT NO	ITEM NUMBER	UNIT PRICE	AMOUNT
NO. 4	.....					
NO. 5	.....					
<p>I UNDERSTAND THAT FAILURE TO CONFIRM THE RECEIPT OF THE ADDENDUM(S) MAY BE CAUSE FOR REJECTION OF BIDS.</p> <p>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.</p> <p>..... SIGNATURE</p> <p>..... COMPANY</p> <p>..... DATE</p>						
REV. 11/96	-----					
----- END OF ADDENDUM NO. 1 -----						

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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 upcoming contract transition with the new Service Organization impacted or changed existing controls, policies, procedures, systems, or security at the existing Service Organization or User Organization? If so, what areas of the control environment are impacted?

**Response:**

No

**Question:**

Can the performance bond be purchased after award of the contract? Can the "Performance Bond" form attached to the RFQ be submitted after the award of the contract?

**Response:**

The apparent low bidder will be asked to provide the Performance Bond prior to the award.

**Question:**

What level of scope will be involved with individual retailers (i.e. security of inventory, cash receipt/remittance, hardware/software security)? What level of testing has occurred at retailers in past SAS 70's?

**Response:**

There is no direct contact with retailers.

**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:**

Information on the current contract (LOT262) can be obtained by contacting the Purchasing Division at 304-558-2336.

**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:**

Deloitte & Touche, LLP are the game auditors. The Pivot Group monitors data transmission for security purposes.

**Question:**

In section 3.4 of the RFP requests contract compliance services. What types of items in the contract are expected to be included in this review, and are these supplemental to, or included in, the SAS 70?

**Response:**

The requirements of this project have been established in the specifications of this RFQ.

**Question:**

How many hard copies of the proposal shall we submit to the Purchasing Division?

**Response:**

One

**Question:**

Does any portion of the RFQ that is printed on the Purchase Order letterhead need to be completed and returned as part of our quotation?

**Response:**

It is preferred that the request for quotation form be returned completed and signed.

**Question:**

Does the Performance Bond need to be completed and returned as part of our quotation or can this be provided upon notification of award?

**Response:**

The apparent low bidder will be asked to provide the Performance Bond prior to the award.

**Question:**

Is an electronic copy of the RFQ available?

**Response:**

An electronic copy of this RFQ is not available.