



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
LOT479

PAGE
1

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

RFQ COPY  
 TYPE NAME/ADDRESS HERE

VENDOR

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
11/14/2011				
BID OPENING DATE: 12/22/2011		BID OPENING TIME 01:30PM		

LINE	QUANTITY	UOP	CAT NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
0001	1	HR		946-20		
<p>AUDITING SERVICES</p> <p>REQUEST FOR QUOTATION (RFQ)</p> <p>THE WEST VIRGINIA PURCHASING DIVISION, FOR THE AGENCY, THE WEST VIRGINIA LOTTERY, IS SOLICITING BIDS FOR SSAE16 REVIEW OF GTECH CORPORATION PER THE ATTACHED SPECIFICATIONS.</p> <p>TECHNICAL QUESTIONS MUST BE SUBMITTED IN WRITING TO SHELLY MURRAY AND ALAN CUMMINGS 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.GOV AND ALAN.W.CUMMINGS@WV.GOV. DEADLINE FOR ALL TECHNICAL QUESTIONS IS 12/08/2011 AT THE CLOSE OF BUSINESS. ALL TECHNICAL QUESTIONS RECEIVED 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 WEST VIRGINIA 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> <p>EXHIBIT 3</p> <p>LIFE OF CONTRACT: THIS CONTRACT BECOMES EFFECTIVE ON</p>						

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. Prior to any award, the apparent successful vendor must be properly registered with the Purchasing Division and have paid the required \$125 fee.
4. 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.
5. Payment may only be made after the delivery and acceptance of goods or services.
6. Interest may be paid for late payment in accordance with the *West Virginia Code*.
7. Vendor preference will be granted upon written request in accordance with the *West Virginia Code*.
8. The State of West Virginia is exempt from federal and state taxes and will not pay or reimburse such taxes.
9. The Director of Purchasing may cancel any Purchase Order/Contract upon 30 days written notice to the seller.
10. The laws of the State of West Virginia and the *Legislative Rules* of the Purchasing Division shall govern the purchasing process.
11. Any reference to automatic renewal is hereby deleted. The Contract may be renewed only upon mutual written agreement of the parties.
12. **BANKRUPTCY:** In the event the vendor/contractor files for bankruptcy protection, the State may deem this contract null and void, and terminate such contract without further order.
13. **HIPAA BUSINESS ASSOCIATE ADDENDUM:** The West Virginia State Government HIPAA Business Associate Addendum (BAA), approved by the Attorney General, is available online at [www.state.wv.us/admin/purchase/vrc/hipaa.html](http://www.state.wv.us/admin/purchase/vrc/hipaa.html) and 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.
14. **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. Vendor further agrees to comply with the Confidentiality Policies and Information Security Accountability Requirements, set forth in <http://www.state.wv.us/admin/purchase/privacy/noticeConfidentiality.pdf>.
15. **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, and the West Virginia Insurance Commission. 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.
16. **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 material, 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.

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**INSTRUCTIONS TO BIDDERS**

1. Use the quotation forms provided by the Purchasing Division. Complete all sections of the quotation form.
2. 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. Unit prices shall prevail in case of discrepancy. All quotations are considered F.O.B. destination unless alternate shipping terms are clearly identified in the quotation.
4. 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
5. Communication during the solicitation, bid, evaluation or award periods, except through the Purchasing Division, is strictly prohibited (W.Va. C.S.R. §148-1-6.6).



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 25314-1143 558-0500

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BID OPENING DATE: <b>12/22/2011</b>		BID OPENING TIME <b>01:30PM</b>		

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<p>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 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>						

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<p>QUANTITIES: QUANTITIES LISTED IN THE REQUISITION ARE APPROXIMATIONS ONLY, BASED ON ESTIMATES SUPPLIED BY THE STATE SPENDING UNIT. IT IS UNDERSTOOD AND AGREED THAT THE CONTRACT SHALL COVER THE QUANTITIES ACTUALLY ORDERED FOR DELIVERY DURING THE TERM OF THE CONTRACT, WHETHER MORE OR LESS THAN THE QUANTITIES SHOWN.</p> <p>ORDERING PROCEDURE: SPENDING UNIT(S) SHALL ISSUE A WRITTEN STATE CONTRACT ORDER (FORM NUMBER WV-39) TO THE VENDOR FOR COMMODITIES COVERED BY THIS CONTRACT. THE ORIGINAL COPY OF THE WV-39 SHALL BE MAILED TO THE VENDOR AS AUTHORIZATION FOR SHIPMENT, A SECOND COPY MAILED TO THE PURCHASING DIVISION, AND A THIRD COPY RETAINED BY THE SPENDING UNIT.</p> <p>BANKRUPTCY: IN THE EVENT THE VENDOR/CONTRACTOR FILES FOR BANKRUPTCY PROTECTION, THE STATE MAY DEEM THE CONTRACT NULL AND VOID, AND TERMINATE SUCH CONTRACT WITHOUT FURTHER ORDER.</p> <p>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.</p> <p>REV. 05/26/2009</p> <p style="text-align: center;">NOTICE</p> <p>A SIGNED BID MUST BE SUBMITTED TO:</p> <p style="text-align: center;">DEPARTMENT OF ADMINISTRATION PURCHASING DIVISION</p>						

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LINE	QUANTITY	UOP	CAT NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
	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.:		LOT479			
	BID OPENING DATE:		12/22/2011			
	BID OPENING TIME:		1:30 PM			
	PLEASE PROVIDE A FAX NUMBER IN CASE IT IS NECESSARY TO CONTACT YOU REGARDING YOUR BID:  -----					
	CONTACT PERSON (PLEASE PRINT CLEARLY):  -----					

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5

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304-558-8801

RFQ COPY  
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312 MACCORKLE AVENUE, SE  
 CHARLESTON, WV  
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LINE	QUANTITY	UOP	CAT. NO.	ITEM NUMBER	UNIT PRICE	AMOUNT
***** THIS IS THE END OF RFQ LOT479 ***** TOTAL:						

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WEST VIRGINIA LOTTERY

REQUEST FOR QUOTATION

LOT479

STATEMENT ON STANDARDS FOR ATTESTATION ENGAGEMENTS NO.16 (SSAE 16)

REVIEW OF GTECH

WEST VIRGINIA LOTTERY  
900 PENNSYLVANIA AVENUE  
P O BOX 2067  
CHARLESTON, WV 25327

## WEST VIRGINIA LOTTERY

### 1.0 THE WEST VIRGINIA LOTTERY AND GTECH CORP.

#### 1.1 The West Virginia Lottery

The West Virginia Lottery (Lottery) was created and organized in April 1985 to generate revenue to benefit the citizens of the state. Through the years, the mission has evolved to include the specific funding of programs benefiting education, senior citizens, tourism, and other programs as the Legislature may determine. To meet this requirement to generate revenues, the Lottery began selling instant game tickets on January 9, 1986, and began selling on-line game tickets on November 25, 1986.

The Lottery contracted with GTECH Corporation, Providence Rhode Island for the Instant and On-line Gaming System on June 28, 2009. The primary functions of the Instant and On-line Gaming System are as follows:

##### Transaction processing of Instant and On-line Products:

- Powerball (Multi-state Lottery (MUSL) product)
- Mega Millions (Multi-state Lottery (MUSL) product)
- Hot Lotto (Multi-state Lottery (MUSL) product)
- Daily 3
- Daily 4
- Cash 25
- Travel Keno

##### Transactions for each product offered:

- Sales
- Validations
- Terminal Reports
- Instant Ticket Validation
- Retrieval of report data
- Instant Product Inventory movement
- ICS processing
- Billing functions
- Promotions (Gaming promotions)
- Ticket Stock Inventory and Controls (GGuard)



## WEST VIRGINIA LOTTERY

The GTECH Enterprise Series (ES) solution has been configured to provide a combination of performance, reliability, flexibility, and resilience over the term of the contract. The ES Transaction Engine (ESTE) is a key part of the ES solution.

The architecture comprises four redundant, physically separate, fully integrated ES Transaction Engines. Each runs on an IBM System p52a server. The four ES Transaction Engines are securely linked together (N-Plexed) across two data centers: the PDC in Charleston, West Virginia and a Backup Data Center (BDC) in the Middletown Mall in White Hall, West Virginia. These systems operate in a quadruplex configuration to provide multiple levels of redundancy. This configuration maintains operation and data integrity in the event of a system failure at the PDC or a total failure of the PDC requiring a failover to the two systems at the BDC. The IBM p52a servers were installed in April 2009 and operational in June 2009. The primary functions of the p52a servers are as follows:

- Instant & On-line Weekly Accounting
- Telemarketing (Instant Product)
- Sales Tracking (Instant & On-line Products)
- Billing (Instant & On-line Products)
- Prize Payments (Instant & On-line Products)
- Inventory Control (Instant Products)
- Retailer Tracking (Instant & On-line Products)
- Instant Product Reports
- Separate Billing Reports for Instant and On-line Products

- 1.2 Internal Control System (ICS) is used to balance the Instant and On-line Gaming System IBM eServers 3500. Two Systems are located in Charleston, WV, and one in White Hall, WV. All systems reside in Lottery Data Centers. GTECH is an international company that designs, manufactures, installs, and operates instant and on-line ticket wagering systems for domestic and foreign governments and government-licensed organizations.

GTECH is under the local management of the account executive. The organization is divided into the following departments:

- Field Services
- Computer Operations
- Marketing and Telsell
- Hotline

## WEST VIRGINIA LOTTERY

GTECH instant and on-line gaming system includes the following components:

- Central Systems
- Disaster Recovery with Business Continuity
- Terminals – Altura (Online/Instants) and LTG (Pay n Play)
- Hardware and Software
- Services
- Personnel to manage, operate, support and maintain the systems.

The GTECH Online telecommunications network is comprised of the following technologies to support critical applications:

- Internet Protocol (IP) from terminal to host.
- A hybrid-technology, integrated online network.
- Approximately 95 percent VSAT
- Approximately 5 percent frame relay

The communication network provides a dedicated, always-on private network – consisting primarily of VSAT and frame relay (depending upon availability per retailer) to support end to end connectivity from the online lottery terminals to the data centers. Each data center will be connected via redundant, high bandwidth, T-3 ATM links to ensure that all transactions are logged at both data centers.

GTECH operates satellite technology from its satellite hubs in Nevada, Texas and Rhode Island. GTECH provides field service employees that provide support to the satellite (on premise equipment) and retailer terminals.

Each retailer location has a Lottery terminal, of which, there are two types, an On-line (Altura) and an LTG “Lottery to Go” (Pay n Play) terminal. Not all locations have the LTG terminals.

### 1.3 Office Locations

The Lottery operates out of two administrative offices, including a claim center and a warehouse, located at 900 Pennsylvania, Charleston, WV 25302. The West Virginia Lottery hot site is located at 2500 Fairmont Avenue, White Hall, West Virginia.

## WEST VIRGINIA LOTTERY

The Gtech office is located at 1700 MacCorkle Avenue, SE, 5<sup>th</sup> Floor, Charleston, WV 25314.

### 2.0 GENERAL INFORMATION AND REQUIREMENTS

#### 2.1 Background Investigations

Because of the relationship between the Lottery and GTECH, 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 anytime.

#### 2.2 Staffing

The Lottery reserves the right to reject any of the vendor's personnel that it deems unsuitable to work on the SSAE 16 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 out 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

## WEST VIRGINIA LOTTERY

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.

### 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.

### 3.0 SERVICES REQUIRED – SCOPE

The vendor will review of the Lottery's service organization, the instant and on-line vendor. The examination will be conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants -- Statement on Standards for Attestation Engagements No. 16 – Reporting on Controls at a Service Organization (SOC1). Those standards require that the service auditor plan and perform the examination to obtain reasonable assurance about whether, in all material respects, the description is fairly presented and the controls were suitably designed and operating effectively to achieve the related control objectives stated in the AICPA guidelines throughout the audit period. The service auditor will obtain sufficient and appropriate evidence to provide a reasonable basis for their opinion.

The service auditor is responsible for expressing an opinion on:

- The fairness of the presentation of the description of the transaction processing system that was designed and implemented throughout the audit period.
- The suitability of the design of controls related to the control objectives stated in the AICPA guidelines, providing reasonable assurance that the control objectives would be achieved if the controls operated effectively throughout the audit period and user entities applied the complementary user entity controls contemplated in the design of GTECH WV's controls throughout the audit period.
- The operating effectiveness of controls tested, which together with the complementary user entity controls, would be necessary to provide reasonable assurance that the control objectives stated in the description were achieved and operated effectively through the audit period.

## WEST VIRGINIA LOTTERY

- 3.1 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 GTECH's 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.
- 3.2 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.
- 3.3 The vendor will review the current Lottery Games Operation Services contract and using standard testing/reviewing techniques, ensure the existing On-line/Instant vendor is following contract guidelines.
- 3.4 Additional substantive procedures to Lottery transactions at GTECH may be required. These areas of interest will be described by the Lottery upon contract award.
- 3.5 Twenty-five (25) copies of the SSAE 16 report must be provided for the use of the Lottery and its independent auditors and issued by August 31<sup>st</sup> of each year.

### 4.0 REQUIRED DETAILS

#### 4.1 Background and Management

Within ten days of contract award the successful vendor shall provide the following information or an indication that the information is not applicable to them and why not:

##### 4.1.1 Business name and address of the vendor submitting the quotation and the names and addresses of the following:

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

## WEST VIRGINIA LOTTERY

- b. If the vendor is a trust, the trustee and all persons entitled to receive income or benefit from the trust;
  - c. If the vendor is a limited liability company or limited liability partnership, the members, partners, officers and directors;
  - d. If the vendor is an association, the members, officers and directors;
  - e. 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; and
  - f. 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.
- 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.
- 4.1.3 The place of the vendor's incorporation, if any.
- 4.1.4 The name, address, and telephone number of a representative to contact regarding all matters.
- 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.
- 4.1.6 A list of jurisdictions which the vendor has contracts to supply gaming materials, equipment or services.

## WEST VIRGINIA LOTTERY

- 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.
- 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.
- 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).
- 4.1.10 The details of any termination of a contract for any reason during the last five years.
- 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.
- 4.1.12 The vendor's and any subcontractor's Federal Employer Identification Number and the West Virginia Tax Identification Number shall be provided.

### 4.2 Vendor Experience

It is the desire of the Lottery that the vendor be a licensed CPA firm with five (5) years of prior experience in SAS70 reviews and one (1) year experience in SSAE 16 reviews with the systems used by GTECH and by the Lottery or with comparable systems. The vendor will be required to show evidence of qualifications within ten days of contract award. A vendor must furnish proof of its experience, competence and qualifications to provide the requested services

## WEST VIRGINIA LOTTERY

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(s) of the persons to be contacted for purposes of obtaining references, if so desired by the Lottery.

Subcontracts are not permissible.

### 4.3 Personnel

Within ten days of contract award successful 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 reject the employees assigned to work on this review.

### 4.4 Conflict of Interest

Upon contract award successful 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 GTech 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 GTECH 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 a cause for contract termination or disqualification of the quotation.

### 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



## WEST VIRGINIA LOTTERY

carrier, and the address of the carrier. In addition, a performance bond will be required equal to the amount of the bid.

### 4.6 Political Disclosure

Prior to the submission of the initial quotation, and 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.

### 4.7 Cost Bid (Attachment A)

## WEST VIRGINIA LOTTERY

## ATTACHMENT A

## COST BID RFQ LOT479

PRINT NAME	
SIGNATURE	
COMPANY NAME	
COMPANY ADDRESS	
PHONE	
FAX	
EMAIL ADDRESS	

<b>ALL-INCLUSIVE PRICE</b> (Consists of all charges and expenses, including travel, meals and lodging.)	\$ _____
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By my signature above I certify that the bid submitted meets or exceeds all the mandatory specifications of this RFQ. Additionally, I agree to provide any additional documentation deemed necessary by the State of West Virginia to demonstrate compliance with said mandatory specifications.