

## **REQUEST FOR PROPOSAL - TRI-STATE LOTTO COMMISSION**

The Tri-State Lotto Commission is seeking a qualified vendor to provide auditing services in connection with the drawing of winning numbers for the Tri-State Lotto Commission draw games. The auditing services are currently being performed at 14 Integra Drive, Concord, New Hampshire, 03301.

Sealed bid proposals shall be received by the New Hampshire Lottery Commission no later than March 21, 2014, 4:00 p.m. (close of business day) Sealed bid proposals are to be submitted to:

Maura McCann, Tri-State Draw Manager  
New Hampshire Lottery Commission  
14 Integra Drive  
Concord, New Hampshire 03301  
Telephone: (603) 271-7111  
Fax: (603) 271-1160

E-mail: [maura.mccann@lottery.nh.gov](mailto:maura.mccann@lottery.nh.gov)

**SECTION I  
GENERAL INFORMATION**

**1.1 PURPOSE**

The Tri-State Lotto Commission is an association of state lotteries formed to allow the lotteries operated by its members to conduct joint games. The current games are Pick 3/Pick 4, Gimme 5, and Megabucks Plus, but additional games or changes to the current games may be added on a periodic basis. The purpose of this request for proposal (RFP) is to allow the Tri-State Lotto Commission to choose a contractor to supply lottery draw auditing services required in Concord, New Hampshire. Obligations under this contract will commence on July 1, 2014, and continue through June 30, 2016. Draw Audit Services are to be performed twice a day, 365 days per year, subject to change by the Tri-State Lotto Commission. The Tri-State Lotto Commission can, at its sole option, extend the contract through June 30, 2018.

**1.2 CONTENT OF THE RFP**

The RFP is designed to provide bidders with the information necessary for the preparation of competitive proposals. The RFP is not intended to be comprehensive, and each bidder is responsible for addressing all issues relevant to the proposal submitted.

The Tri-State Lotto Commission reserves the right to modify the RFP at any time. Any modification of the RFP will be clearly marked as a modification and provided to each bidder who receives an original copy of the RFP.

Proposals shall be based solely on the material contained in the RFP or in subsequent modifications to the RFP. Bidders are to disregard any draft material they may have received, any newspaper articles they may have read, and any other oral or written representations from any source.

**1.3 BIDDING CONFERENCE AND BIDDER INQUIRIES**

A bidding conference will not be held. Bidders may submit written questions concerning the request for proposal by February 7, 2014. The Tri-State Lotto Commission or its designee will respond to the questions in writing by February 21, 2014. All bidders who receive copies of the RFP will receive copies of the written questions received and the written answers provided by the Tri-State Lotto Commission. The questions and answers will not modify the RFP, unless the Tri-State Lotto Commission specifically states that a modification is made.

All written questions and other inquiries regarding this proposal shall be directed to Maura McCann, Product Marketing Manager. Written questions may be mailed, delivered, faxed or e-mailed to the New Hampshire Lottery Commission office. The bidder is responsible for timely delivery.

**1.4 SUBMITTAL OF PROPOSALS AND DISCLOSURE DOCUMENTS**

Only one proposal will be accepted from each bidder. Bidders must identify and address each requirement in the RFP by section number and in order. The proposal shall be submitted in a sealed envelope labeled "bid enclosed".

**1.5 TIME FOR SUBMISSION**

Proposals and disclosure documents may be either mailed or hand delivered, but in either case, the proposal and all required documentation must be received by the New Hampshire Lottery Commission, 14 Integra Drive, Concord, New Hampshire, 03301 by March 21, 2014, at 4:00 p.m. (Close of business day).

**1.6 COST TO BIDDERS**

The Tri-State Lotto Commission shall not be responsible for any cost incurred by a bidder in the preparation of or delivery of its response to this RFP or for any other costs associated with the RFP.

**1.7 OPENING OF PROPOSALS**

The proposals will be opened at 2:00 p.m. on March 26, 2014. The New Hampshire Lottery Commission shall then work with the lowest qualified responsible bidder to develop a contract for presentation to the Tri-State Lotto Commission. It is the intent of the Tri-State Lotto Commission to award a contract to the successful bidder at the Commission's April meeting. Contracts are not final until the Tri-State Lotto Commission votes to approve the contract. Information regarding submitted proposals will not be made public prior to the Commission's April meeting. Unless otherwise indicated in the proposals, all information contained within the proposals shall be regarded as public information pursuant to New Hampshire's Right to Know laws.

**1.8 PROPOSALS VALID FOR SIXTY DAYS**

All proposals submitted shall remain valid for sixty (60) calendar days following the date on which the proposals are opened. A bidder's submission of a proposal shall constitute the bidder's express agreement to this time limit.

**1.9 STANDARDS APPLICABLE TO THE AWARD**

The Tri-State Lotto Commission shall award the contract to the responsible bidder who, in the sole opinion of the Commission, submits the lowest, qualified and best proposal.

**1.10 WAIVER OF INFORMALITIES AND REJECTION FOR NONCOMPLIANCE**

The Tri-State Lotto Commission reserves the right to waive deficiencies in the proposals. The decision as to whether a deficiency shall be waived or will require the rejection of a proposal shall be solely within the discretion of the Tri-State Lotto Commission. Bidders are specifically notified that failure to comply with or respond to any part of this RFP may result in rejection of a proposal as non-responsive.

**1.11 PROPOSAL REJECTION**

The Tri-State Lotto Commission reserves the right to reject any and all proposals in response to this RFP. Bidders whose proposals are not selected for a contract award will be notified in writing at the address given in the proposal.

**1.12 CONTRACT PROVISIONS**

The contract, which the Tri-State Lotto Commission expects, to award as a result of this RFP will be based upon the proposal submitted by the successful bidder.

**1.13 DATES RELEVANT TO AWARD**

01/10, 01/18 2014 – RFP availability advertised in Newspapers, New Hampshire Lottery website, Announcement sent via email to all contacts listed on the New Hampshire CPA society website.

01/10/2014	RFP available.
02/07/2014	End of RFP availability.
02/07/2014	Bidder questions received, no later than 4:00 p.m.
02/21/2014	The Tri-State Commission answers mailed, emailed or faxed.
03/21/2014	Bid Responses due by 4:00 p.m. (Close of business day)
03/26/2014	Bids opened at New Hampshire Lottery Commission at 2 PM.
April date TBA	Bidder selection subject to Section II requirements and Tri-State Lotto Commission approval.

## **SECTION II BIDDER EXPERIENCE**

### **2.1 BIDDER QUALIFICATIONS**

Provide resumes for all persons to be assigned to the Tri-State Lotto Commission contract. State the experience which the bidder and the personnel which will be assigned to the Tri-State Lotto Commission contract have had in providing services similar to those described in this RFP. Key Personnel assigned to the contract must be employees of the winning vendor and have at least one of the following experiences:

- An employee with a CPA designation or advanced degree, or
- An Employee with a recognized degree in Accounting, Finance or related field

### **2.2 BIDDER EXPERIENCE**

Identify no more than five engagements of comparable sensitivity, which have been conducted by the bidder over the past two years. The Tri-State Lotto Commission will use the engagements identified as technical references. The bidder should indicate the name, titles and phone numbers of the persons to be contacted for purposes of obtaining references.

### **2.3 SUB CONTRACTORS**

Sub contractors must be approved by the Tri-State Lotto Commission prior to auditing the draws.

## **SECTION III DESCRIPTION OF WORK**

**Pick 3/Pick 4 seven days (both day and evening), Gimme 5 Mon/Wed/Fri and Megabucks Plus Wed./Sat.**

The following is a schedule of the draws and approximate times when an auditor must be present:

Pick 3/Pick 4 Evening Draw - Tuesday, Thursday, and Sunday 6:00 p.m.-7:15 p.m.

Pick 3/Pick 4 Day Draw – Monday through Sunday 12:15 p.m. to 1:30 p.m.

Pick 3/Pick 4 Evening Draw and Gimme 5 – Monday and Friday 6:00 p.m.-7:30 p.m.

Pick 3/Pick 4 Evening Draw, Gimme 5 and Megabucks Plus -Wednesday 6:00 p.m.-8:30 p.m.

Pick 3/Pick 4 Evening Draw and Megabucks Plus - Saturday 6:00 p.m. - 8:15 p.m.

The Tri-State Lotto Commission will need one auditor (and a backup auditor, on an on-call basis in case primary auditor cannot perform duties) to observe that:

- 3.1 All draw personnel including auditor must be present prior to entering drawing room.
- 3.2 The auditor will observe the representative and monitor as they set up the drawing equipment as necessary.
- 3.3 The auditor will observe the representative as they remove the balls from the locked storage, and the balls being counted and placed in the drawing equipment.
- 3.4 The auditor will observe the three pre-tests.
- 3.5 The auditor will observe the live draw.
- 3.6 The auditor will observe the post-test.
- 3.7 The auditor will sign-off on the document that is emailed to gaming vendor of the winning numbers and approve the FAX sent to the media with the winning numbers.
- 3.8 The auditor will participate with the monitor and representative to verify the winning numbers with the gaming system vendors.
- 3.9 The auditor will participate with the representative as they remove the balls from the draw equipment, re-count the balls, secure them and place them in locked storage in the draw room.
- 3.10 The auditor will observe the DVDs of all draw activity being placed in secure envelopes for storage and initial the completion of this action.
- 3.11 The auditor will verify from winning number reports received that the correct numbers have been entered into the gaming systems.
- 3.12 The auditor will complete and retain a file of the draw audit sheets.

#### **SECTION IV PRICE**

Please provide the hourly rate you would charge for the services described in this RFP and also the rate in 15 minute increments. Please denote differences in costs for the various games, if applicable. This hourly fee should include all management time, driving time, expenses, etc. This hourly fee per draw audit service is to be the only charge to the Tri-State Lotto Commission.

**SECTION V  
TRI-STATE POLICIES**

The selected bidder agrees to comply with the following provisions:

**5.1 CONFLICT OF INTEREST POLICY NUMBER 12**

"The Tri-State Lotto Commission shall not issue a contract for services for products to a company or person who employs, or is, a family member of a lottery employee that has an administrative responsibility over any of the duties specified in the contract, or who may be involved in the decision to award the contract. A family member is defined as a person living in the same primary residence as the lottery employee. A lottery employee is defined as an employee of the Maine, New Hampshire or Vermont lotteries, or the Tri-State Lotto Commission."

**5.2 PROHIBITION OF TRI-STATE TICKET PURCHASE**

No employee of the successful bidder who performs Tri-State Lotto Commission drawing audit duties, nor any member of the employees' immediate households, shall purchase any tickets for any Tri-State Lotto Commission game. This prohibition shall be in force during the length of the contract.

**SECTION VI  
SPECIAL PROVISIONS**

**6.1 TERMS OF AGREEMENT**

The initial contract shall be for a period of two years, from July 1, 2014 through June 30, 2016. The Commission reserves the right to terminate the agreement at any time if specific conditions are violated or if the auditors do not perform in a professional, responsible manner in the execution of performance or in representation of the Commission. The Commission may extend the contract for one-two year period, from July 1, 2016 through June 30, 2018, at the same price as the initial contract.

**6.2 TERMS OF PAYMENT**

The successful bidder shall submit monthly invoices for previous services provided. Auditors shall not be compensated for missed performances, vacations, sick days or any days missed.