

# **Florida Lottery**

## **Invitation to Negotiate**

**Advertised: April 23, 2019**

**Replies Due: June 4, 2019**

**Banking Services and  
Related Commodities and Services**

**Project Number: 032-18/19**



Florida Lottery  
Procurement Management  
250 Marriott Drive  
Tallahassee, Florida 32301

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## Attachments

Attachment A: Lottery Data Volume  
Attachment B: Cost Submission and Certification  
Attachment C: Procurement Library (Hyperlinked)

### [Procurement Library \(Hyperlinked\)](#)

Florida Lottery Overview  
Advertising Guidelines  
Vendor Diversity Agreement Terms  
Mandatory Requirements of Agreement  
RESPECT of Florida Agreement Terms  
Vendor Personal Profile Form  
Disclosure Affidavit  
Certification as to a Drug Free Workplace  
Conflict of Interest Form  
Florida Lottery District Office Locations

**PART 1: DEFINITIONS**

Agreement:	<p>The two-party signature document (or three-party in the event a parent company serves as financial guarantor) entered into between the Lottery and the Successful Vendor for this Solicitation. The Agreement will incorporate the terms of all related Solicitation documents, including but not limited to any addenda to the Solicitation; the successful Vendor's Reply; and any provisions added/modified as a result of negotiations.</p> <p>The terms "Contract" and "Agreement" may be used interchangeably.</p> <p>In the event of a conflict in language among any of the documents referenced above the provisions and requirements of the Agreement will govern.</p>
Authorized Representative:	The owner, corporate officer or director of the Vendor, Substantial Subcontractor, or party authorized to legally bind it in a contractual obligation.
Business Day:	Monday through Friday except legal holidays observed by the State of Florida, Saturdays and Sundays. The terms "working days" and "business days" may be used interchangeably.
Contractor:	The Vendor with whom the Lottery executes an Agreement to provide the required commodities or contractual services pursuant to this Solicitation.
Contract Manager:	An employee of the Lottery's staff designated by the Secretary, that will be responsible for enforcing the performance of the Agreement terms and conditions and serve as a liaison with the Contractor.
Day:	A calendar day.
Florida Accountability Contract Tracking System (FACTS):	State of Florida, Department of Financial Services' centralized, online statewide contract reporting system.
Fiscal Year (FY):	The Lottery's fiscal year begins July 1 and ends June 30.
EFT:	Electronic Fund Transfer.

Invitation to Negotiate (ITN):	<p>The process used to communicate procurement requirements and request responses from interested vendors. A written or electronically posted solicitation for competitive sealed replies to select one or more vendors with which to commence negotiations for the procurement of commodities or contractual services.</p> <p>The terms “<i>ITN</i>” and “<i>Solicitation</i>” may be used interchangeably.</p>
Key Personnel:	Personnel performing 50 percent or more of their work on the Lottery account.
Lottery:	The State of Florida, Department of the Lottery.
Qualified Public Depository:	<p>As defined in Section 280.02(26), Florida Statutes, “qualified public depository” means a bank, savings bank, or savings association that:</p> <ul style="list-style-type: none"> <li>a) Is organized and exists under the laws of the United States or the laws of this state or any other state or territory of the United States.</li> <li>b) Has its principal place of business in this state or has a branch office in this state which is authorized under the laws of this state or of the United States to receive deposits in this state.</li> <li>c) Has deposit insurance pursuant to the Federal Deposit Insurance Act, as amended, 12 U.S.C. §. 1811 et seq.</li> <li>d) Has procedures and practices for accurate identification, classification, reporting, and collateralization of public deposits.</li> <li>e) Meets all the requirements of Chapter 280, Florida Statutes.</li> <li>f) Has been designated by the state Chief Financial Officer as a qualified public depository.</li> </ul>
Reply:	The written response of a Vendor to this Solicitation.
Retailer:	A person and/or his representative who is authorized by the Lottery to sell Lottery tickets in accordance with the Florida Education Lottery Act (Chapter 24, Florida Statutes).
State:	The State of Florida and its departments, boards and commissions, officers and employees.
Subcontractor:	Any person other than an employee of the Contractor who provides products or performs any of the services listed in this Solicitation for compensation.

Substantial Subcontractor:	Any subcontractor that the Contractor subcontracts a substantial portion of the work to be performed under the resulting Agreement. See Section 24.111(2)(a)4., Florida Statutes. This includes related work that is critical to the security, integrity, or operational performance of the Lottery.
Successful Vendor:	The Vendor to whom the Lottery awards and with whom the Lottery intends to execute an Agreement pursuant to this Solicitation.
Vendor:	Any organization or person who submits a Reply to the Lottery in response to this Solicitation.
Vendor Bid System (VBS):	The State of Florida centralized, internet-based vendor information system at: <a href="http://vbs.dms.state.fl.us/vbs/main_menu">http://vbs.dms.state.fl.us/vbs/main_menu</a> .

**END OF SECTION**



## PART 2: SOLICITATION SCOPE, PROCESS, SCHEDULE AND CONSTRAINTS

### 2.1. INTRODUCTION

The Florida Lottery (the "Lottery") is a unique state agency that functions as an entrepreneurial enterprise to generate funds for the enhancement of public education, and that was created to allow the people of the state to benefit from significant additional monies for education while playing the best lottery games available. Consistent with this, it is the mission of the Florida Lottery to maximize revenues in a manner consonant with the dignity of the state and welfare of its citizens.

The [Florida Lottery Overview](#) provides information about the Lottery's contributions to education, game information, retailer base, and sales goals. Additional information about the Lottery may be obtained by visiting its website at: [www.flalottery.com](http://www.flalottery.com).

### 2.2. SPECIFIC GOALS, QUESTIONS, AND FACTS

The purpose of this ITN is to explore the questions identified herein, and determine, through the negotiation process, the preferred solution to achieve the goals of this ITN and best value. In accordance with section 287.057(1)(c), Florida Statutes, the Lottery provides the following information:

#### 2.2.1. Specific Goals

Through the commodities and services sought in this ITN, the Lottery seeks to procure banking services based on the organization's needs while upholding Lottery's commitments to its players. The specific goals of this ITN are to identify and engage one (1) vendor to provide the Services representing the best value based on the selection criteria identified in section 2.33.

#### 2.2.2. Questions Being Explored

**These questions are provided for informational purposes only, and Vendors should not respond directly to these questions in their Reply.**

The following questions provide a general outline of the potential negotiation issues and factors that may be considered in determining best value.

- A. What specific services and deliverables are appropriate to achieve the goals of this ITN?
- B. How can the Lottery best ensure that Services are performed in a reliable, agreed upon manner?
- C. How will the Vendor transition to a new contract from the current provider?
- D. What customer support services are available that provide distinct value to the Lottery?
- E. How can the Lottery and Vendor ensure a smooth, timely, and cost-effective transition of these essential services?

- F. What additional internal and external costs could incur with the implementation of a new Vendor?
- G. What additional Services can Vendor offer that are in the best interest of the Lottery?
- H. What pricing models, contractual terms and conditions are in the best interest of the Lottery?
- I. Which Vendor ultimately provides the best value for the Lottery?

### 2.2.3. **Facts Being Sought**

The facts being sought in this Solicitation are identified primarily in Part 3.

## 2.3. **SCOPE OF REQUIRED COMMODITIES AND SERVICES**

This Invitation to Negotiate (ITN) is issued by the Lottery to request competitive sealed replies (Replies) from Vendors capable of providing banking services as described herein (the Services). As detailed in section 3.5, the required Services under the prospective Agreement include, but are not limited to:

- Account Management
- Master Concentration Account
- Ten Change/Redemption Accounts (Checking Account)
- Depository Services
- Two Controlled Disbursement Accounts (CDA)
- Wire Transfers
- Automated Clearing House (ACH) Transfers
- Vendor System & Technical Capabilities (e.g., on-line portal)

Attachment A: Lottery Data Volume provides an estimated monthly volume of the Lottery's current banking services.

The Lottery intends to award a contract to a single Vendor under this ITN. The process for submitting a Reply and obtaining a contract is more fully described in Part 3 of this ITN.

## 2.4. **BACKGROUND**

The Lottery's current contract for banking services was entered into July 1, 2018 and expires June 30, 2020.

Selling tickets in 13,000 plus retailers' stores and nine (9) District offices, paying prizes to Lottery winners, and paying bonus commissions to retailers are critical business functions that generate or use cash flows and require high quality banking services. The current banking services contractor has branch offices near each Lottery District Office. See [District Office Locations](#). This provides our winners with the opportunity to timely cash or deposit lottery checks.

The Lottery has the following bank account structure with our current banking services vendor:

- A Master Concentration Account for receiving weekly net sales amounts due from 13,000 plus retailers and subsequent transfers to the State Treasury. The weekly sweep transactions have ranged from \$48 million to \$131 million this fiscal year. This account is linked to two (2) zero balance/controlled disbursement accounts as follows:
  - Prize Payment Account, for payments to Lottery players with winnings greater than \$600.
  - A retailer payment account for issuing incentive bonus payments to retailers.
- Ten (10) interest bearing checking accounts - accounts for net ticket sales being collected in our District offices.

The Lottery utilizes various deposit and disbursement types such as checks, Automated Clearing House, and wire transfers. For typical monthly volumes of core services, see Attachment A: Lottery Data Volume.

## **2.5. MINIMUM QUALIFICATIONS**

Vendor must satisfy the minimum qualifications in order to be eligible for an award of a Contract under this ITN, subject to Section 2.27.

- Vendors must have total assets of not less than \$100 million as of June 30, 2019 and must belong to a bank holding company with assets of at least \$1 billion as of June 30, 2019.
- In addition, the Lottery will only consider Replies from financial institutions that maintain a Federal Reserve clearing account at the Jacksonville or Miami branch of the Federal Reserve Bank of Atlanta and that can provide the services required.

## **2.6. NOTIFICATIONS AND LIBRARY OF PROCUREMENT INFORMATION AND STANDARD FORMS**

Vendors can ensure their company is registered to receive e-mail notification of advertisements, addenda and notices by visiting the following link: [http://vbs.dms.state.fl.us/vbs/main\\_menu](http://vbs.dms.state.fl.us/vbs/main_menu) and selecting the “E-mail Notification” link. The commodity code vendors should register for pertaining to this Solicitation is: “64100000: Bank Offered Products,” “84120000: Banking and Investment,” and “84121500: Banking Institutions.”

The Lottery hereby incorporates by reference the material and attachments contained herein, and addenda to this Solicitation, as well as the Library of Procurement Information and Standard Forms (the “Library”) pertinent to the preparation of Replies and the understanding of the Agreement requirements, with each applicable document/form identified as a hyperlink in this Solicitation. The Library is located on the Lottery’s Internet site and the URL is: <http://www.flalottery.com/solicitations.do>.

If unable to read or download material from this site, Vendors should contact the Issuing Officer identified in section 2.6. It is the sole responsibility of Vendors to monitor this site as additional notifications may not be provided when information or materials are added.

## **2.7. PROCUREMENT AUTHORITY**

Vendors preparing a Reply should be familiar with the Florida Public Education Lottery Act (“Lottery Act”), which establishes the purpose, powers, duties, and procedural framework of the Lottery. The Lottery Act, Chapter 24, Florida Statutes, may be found at [www.leg.state.fl.us](http://www.leg.state.fl.us).

This Solicitation, and all activities leading toward the anticipated execution of an Agreement, is conducted pursuant to Chapters 24 and 287, Florida Statutes; Rule 53ER07-55; and Chapter 60A-1, Florida Administrative Code, as applicable. The Lottery considers it in the best interest of the State of Florida to acquire the commodities and services described herein through a competitive procurement process.

## **2.8. APPLICABLE LAWS AND PROCEDURES**

Applicable provisions of all federal, state, county and local laws, and administrative procedures, regulations or rules will govern the development, submittal, evaluation, and negotiation of all Replies received in response hereto and will govern any and all claims and disputes which may arise between persons submitting a Reply hereto and the Lottery. Lack of knowledge of the law or applicable administrative procedures, regulations or rules by any Vendor will not constitute a cognizable defense against their effect.

Also applicable are any requirements, rules or procedures required by the Multi-State Lottery Association and Rule 74-2, Florida Administrative Code.

## **2.9. ISSUING OFFICER**

The Issuing Officer or designee, acting on the Lottery's behalf, is responsible for issuing this Solicitation along with any changes, additional materials, or addenda. The Issuing Officer is the sole point of contact with regard to all procurement matters relating to this Solicitation, from the date of issuance of this Solicitation until the Lottery's Notice of Agency Decision.

All communication concerning this Solicitation should be addressed in writing to the Issuing Officer:

Audrey Gregory  
Procurement Management  
Florida Lottery  
250 Marriott Drive  
Tallahassee, Florida 32301  
Fax: (850) 487-7760  
Email: [purchasing@flalottery.com](mailto:purchasing@flalottery.com)

All emails to the Issuing Officer should contain the Project Number in the subject line of the email.

## **2.10. RESTRICTION ON COMMUNICATIONS**

Vendors responding to this Solicitation or persons acting on their behalf may not contact, between the release of the Solicitation and the end of the seventy-two (72) hour period following the Lottery posting the notice of intended award, excluding Saturdays, Sundays, and state holidays, any employee or officer of the executive or legislative branch concerning any aspect of this Solicitation, except in writing to the Issuing Officer or designee. Violation of this provision may be grounds for rejecting a Reply.

Any such contact by an affiliate, a person with a relevant business relationship with a prospective Vendor, or an existing or prospective subcontractor to a prospective Vendor is assumed to be on behalf of a prospective Vendor unless otherwise shown.

However, during the negotiation phase of this Solicitation: (i) contact and communication between the members of the negotiation team for the Vendor(s) with whom the Lottery is negotiating and the negotiation team for the Lottery is permissible, but only "on the record" (as required by subsection 286.0113(2), Florida Statutes) during the negotiation meetings; and (ii) communication between the negotiators for a Vendor with whom the Lottery is negotiating and the Issuing Officer outside of the negotiation meetings is permissible so long as it is by email only.

Also, contact and communication may occur as otherwise identified in this Solicitation or as permitted by law.

## **2.11. VENDOR CONDUCT REQUIREMENTS**

1. By submission of a Reply each Vendor warrants that no person or entity has been employed or retained to solicit or secure an Agreement pursuant to this Solicitation upon an agreement or understanding for a commission, percentage, brokerage or contingent fee.

For breach or violation of this warranty the Lottery will have the right to terminate any Agreement in accordance with the termination clause and, in its sole discretion, to deduct from that Agreement any cost or consideration or otherwise recover the full amount of any such commission, percentage, brokerage or contingent fee.

2. Each Vendor warrants that no attempt will be made to induce any other person or entity to submit or not submit a Reply for the purpose of affecting competition.
3. Disclosure of Reply contents by a Vendor or agent of the Vendor prior to the Reply becoming a public record may, at the Lottery's discretion, result in rejection of the Reply.

### **2.11.1. Hiring and Other Business Relationships with Lottery Personnel**

From Advertisement/Release of this Solicitation until the signing of the Agreement, Vendors are prohibited from officially or unofficially making any employment offer or proposing any business arrangement whatsoever to any Lottery personnel. A Vendor making such an offer or proposition may be disqualified from further consideration, or an Agreement signed pursuant to this Solicitation may be terminated.

## **2.12. SCHEDULE OF EVENTS**

The following event dates and times are set forth for informational and planning purposes. These events and dates are subject to change at the Lottery's sole discretion. It is the Vendor's responsibility to comply with these timeframes and to monitor the VBS for any changes.

<b>EVENT</b>	<b>DUE DATE AND TIME</b>	<b>APPLICABLE INFORMATION and LOCATION</b>
Solicitation Advertised / Released	April 23, 2019	Posted to the Vendor Bid System at: <a href="http://vbs.dms.state.fl.us/vbs/main_menu">http://vbs.dms.state.fl.us/vbs/main_menu</a>
Questions Submitted in Writing	Must be received PRIOR TO:  Thursday, May 9, 2019 4:30 PM ET	Submit to: Florida Lottery Procurement Management Attention: Audrey Gregory  250 Marriott Drive Tallahassee, FL 32301 Fax: (850) 487-7760 Email: <a href="mailto:purchasing@flalottery.com">purchasing@flalottery.com</a>
Answers to Questions	Tuesday, May 14, 2019 (Anticipated Date)	Posted to the Vendor Bid System at: <a href="http://vbs.dms.state.fl.us/vbs/main_menu">http://vbs.dms.state.fl.us/vbs/main_menu</a>
Sealed Replies Due	Must be received PRIOR TO:  Tuesday, June 4, 2019 3:00 PM ET	Submit to: Florida Lottery Procurement Management Attention: Audrey Gregory  250 Marriott Drive Tallahassee, FL 32301
Administrative and Technical Replies Opened	Tuesday, June 4, 2019 3:30 PM ET	PUBLIC MEETING  Florida Lottery 250 Marriott Drive Tallahassee, Florida 32301
Evaluation Committee PUBLIC MEETING	Tuesday, June 18, 2019 2:30 PM ET	PUBLIC MEETING for Evaluation Committee to rank the Replies and which vendors proceed to Negotiations.  Florida Lottery 250 Marriott Drive Tallahassee, Florida 32301

Cost Replies Opened	Tuesday, June 18, 2019 3:30 PM ET	PUBLIC MEETING  Florida Lottery 250 Marriott Drive Tallahassee, Florida 32301
Negotiations	On or about June 24, 2019 to July 24, 2019	Pursuant to section 286.0113, Florida Statutes, Vendor negotiations are not public meetings.
Negotiation Team Recommendation	July 30, 2019 3:30 PM ET	PUBLIC MEETING  Florida Lottery 250 Marriott Drive Tallahassee, Florida 32301
Notice of Agency Decision posted	August 12, 2019	Posted to the Vendor Bid System at: <a href="http://vbs.dms.state.fl.us/vbs/main_menu">http://vbs.dms.state.fl.us/vbs/main_menu</a>

### 2.13. ADDENDA OR NOTICES

The Lottery reserves the right to modify this Solicitation by issuing an Addendum. Any notices or addenda to this Solicitation will be posted on the State of Florida Vendor Bid System (VBS). Potential Vendors must monitor the VBS for addenda or notices issued relating to this Solicitation.

### 2.14. VENDOR QUESTIONS

Potential vendors may submit written questions to the Issuing Officer by email. The deadlines for questions are identified in section 2.12: Schedule of Events. Vendors should clearly label question submissions with the relevant title and number of this Solicitation.

Potential Vendors should not disclose cost information in solicitation questions.

Questions submitted after the period specified in the Schedule of Events will not be addressed. Oral questions will not be addressed.

Questions submitted, answers to questions, and any resulting revisions to the Solicitation, will be posted on the VBS.

Questions will not constitute a formal protest of the specifications or of the Solicitation.

## **2.15. PUBLIC RECORD REQUESTS**

Public Record requests submitted in response to this Solicitation will be responded to in accordance with Article I, Section 24, Florida Constitution, Chapter 119, Florida Statutes, Chapter 24, Florida Statutes, Rule 53ER17-53, Florida Administrative Code, and applicable laws.

## **2.16. PROTESTS**

Section 120.57, Florida Statutes, applies to this Solicitation, except as modified by section 24.109, Florida Statutes.

A formal written protest of the terms, conditions, and/or specifications of this Solicitation, must be filed within seventy-two (72) hours (excluding state holidays, Saturdays and Sundays) after the Solicitation is posted.

A formal written protest of the Lottery's Notice of Agency Decision must be filed within seventy-two (72) hours (excluding state holidays, Saturdays, and Sundays) after the Notice of Agency Decision is posted.

Pursuant to section 287.042(2)(c), Florida Statutes, any Vendor who files a formal written protest must, at the time of filing, post the required bond, payable to the Lottery, in the amount of one percent of the estimated Agreement value. The Lottery will estimate the Agreement value for this purpose. Failure to file a formal written protest accompanied by the required bond within the time prescribed in section 24.109, Florida Statutes, will constitute a waiver of proceedings under Chapter 120, Florida Statutes.

All filings must be made with the Agency Clerk only and are considered "filed" when stamped by the official stamp of the Agency Clerk. It is the responsibility of the filing party to meet all filing deadlines.

Agency Clerk  
Florida Lottery  
250 Marriott Drive  
Tallahassee, Florida 32301

## **2.17. VENDOR FELONIES, CONVICTED, DISCRIMINATORY AND SCRUITINED COMPANIES LIST**

Consistent with Florida Law, no Vendor may be awarded an Agreement if any of the following conditions exist:

1. The Vendor or any of its officers, directors, partners, or trustees have been convicted of, or entered a plea of guilty or nolo contendere to a felony committed in the preceding ten years, regardless of adjudication, unless the Lottery determines that: (i) the Vendor (or such an individual) has been pardoned or the Vendor's (such individual's) civil rights have been restored; (ii) subsequent to such conviction or entry of plea, Vendor (or such an individual) has engaged in the kind of law-abiding commerce and good citizenship that would reflect well upon the integrity of the Lottery; or, (iii) if the Vendor is not an individual, the Vendor has terminated its relationship with the individual whose actions directly contributed to Vendor's conviction or entry of a plea.



2. Vendor's name appears on the convicted or discriminatory vendor lists maintained by the State of Florida, Department of Management Services in accordance with sections 287.133 and 287.134, Florida Statutes.
3. An entity, person or affiliate who has been placed on the discriminatory vendor list or the convicted vendor list following a conviction for a public entity crime may not:
  - submit a bid, proposal, or reply for an agreement to provide any goods or services to a public entity;
  - submit a bid, proposal, or reply for an agreement with a public entity for the construction or repair of a public building or public work;
  - submit a bid, proposal, or reply on leases of real property to a public entity;
  - be awarded or perform work as a contractor, supplier, subcontractor, or consultant under an agreement with any public entity;
  - transact business with any public entity, if on the discriminatory vendor list; and/or
  - transact business with any public entity in excess of the threshold amount provided in section 287.017, Florida Statutes, for Category Two for a period of 36 months following the date of being placed on the convicted vendor list.
4. No company on the Scrutinized Companies with Activities in Sudan List; the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List; with business operations in Cuba or Syria; or participating in a boycott of Israel may submit a Reply for, or enter into an Agreement pursuant to, this Solicitation. In submitting a response to this Solicitation, the Vendor certifies that it is not listed on the Scrutinized Companies with Activities in Sudan List; the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List; does not have business operations in Cuba or Syria; or is not participating in a boycott of Israel. If a Vendor submits a false certification, its Reply may be deemed non-responsive and any Agreement subsequently entered into with the Lottery may be terminated by the Lottery.

Vendor represents and warrants that it will promptly notify the Lottery if it is placed on the convicted vendor list, the discriminatory vendor list or the scrutinized companies list(s) during the Solicitation process.

## **2.18. COSTS ASSOCIATED WITH REPLY**

Neither the Lottery, nor the State of Florida, will be liable for any costs or liabilities incurred by a Vendor preparing or submitting a Reply, oral presentations, interviews, site visits, creative work assignments or other vendor costs associated with any other part of the procurement process, including but not limited to preparation, copying, postage, travel, and delivery fees and expenses that may be required by this Solicitation.

## **2.19. PUBLIC MEETINGS**

Public meetings will be handled in accordance with Chapter 286, Florida Statutes. Any person requiring a special accommodation at any public meeting relating to this Solicitation because of a disability should contact

the Issuing Officer identified in section 2.9 or use the Florida Relay Service at 1-800-955-8771 (TTY), at least forty-eight (48) hours prior to the scheduled meeting.

## **2.20. REPLY RECEIPT AND OPENING**

Sealed replies must be sent or delivered to the Florida Lottery by the date and time, and at the location specified in section 2.12: Schedule of Events. The State of Florida, Florida Lottery date and time stamp will be the official recorded time of receipt. Electronic Replies or submissions will not be accepted, except as provided in section 3.7: Copies of Replies.

Failure of a Vendor to submit its Reply by the specified date and time will result in rejection of the Reply, unless the Lottery determines, in its sole discretion, that the failure to timely submit the Reply is a result of circumstances beyond the control of the Vendor. Replies that are rejected for being late will be retained by the Lottery.

The public may attend the Administrative and Technical Reply opening, at which time the names of the responding Vendors will be read aloud; however, pursuant to section 119.071, Florida Statutes, the public may not immediately review any submitted Reply. Vendor Cost Submittals will not be opened at this time.

## **2.21. DISCLOSURE AND OWNERSHIP OF REPLY CONTENTS BY THE LOTTERY**

All matters set forth in a Vendor's Reply including, without limitation, administrative, proposed commodities/services and cost information, will be subject to disclosure after the Lottery's posting of a Notice of Agency Decision for solicitation award, except as addressed under the section 3.2.2: Confidential Reply Materials. All information in a Vendor's Reply and any Agreement resulting from this Solicitation are subject to the provisions of Florida's Public Records Act, Chapter 119, Florida Statutes, regardless of copyright status. Any and all materials submitted become the property of the Lottery. The Lottery reserves the right to use any and all information contained in a Reply, including the Reply of an unsuccessful Vendor, unless prohibited by law.

## **2.22. WITHDRAWAL FROM CONSIDERATION**

The withdrawal of a Reply from consideration may be requested in writing within five business days after the established submission date and time. Requests received in accordance with this provision may be granted by the Lottery upon proof of impossibility to perform or based upon an obvious error. Replies withdrawn from consideration will be retained by the Lottery.

## **2.23. CLARIFICATION PROCESS**

The Lottery may request clarifications from Vendors throughout the Solicitation process in order to resolve ambiguities or question information presented in the Replies. Clarification responses must be in writing and must only address the information requested. Vendor clarification responses should be submitted to the Lottery within the time specified by the Lottery at the occasion of the request.

Failure of a Vendor to supply the clarifying information requested by the Lottery, within the timeframe specified, may result in the information contained in the clarification response being deemed ineligible for consideration.

## **2.24. ACCEPTANCE/REJECTION OF REPLIES**

The Lottery reserves the right, at its sole discretion, to accept or reject any or all Replies, or separable portions thereof at any time during the Solicitation process; re-solicit for new Replies; withdraw the procurement; modify the scope of the commodities and services being sought; or award in whole or in part as deemed to be in the best interest of the state.

### **2.24.1. Rejection of all Replies**

The Lottery reserves the right to withdraw the Solicitation, or reject all Replies, at any time, including after an award is made, and by doing so the Lottery will have no liability to any Vendor.

### **2.24.2. Non-Exclusive Rights**

Nothing in this Solicitation will preclude the Lottery from performing and obtaining for itself, or from purchasing commodities and/or services as described in the Solicitation from another Contractor, should the Lottery determine that such an action would be in the best interest of the state.

## **2.25. REPLY QUALIFICATION AND CURE PROCESS**

The Lottery desires maximum competition in procuring commodities and services and as part of the Reply Qualification process will seek to minimize, if not eliminate, Vendor disqualifications resulting from deficiencies the curing of which will not affect price or provide a competitive advantage not enjoyed by other Vendors.

Prior to submitting Vendor Replies to the Evaluation Team for review and scoring, the Lottery will notify each Vendor of curable Reply deficiencies and provide a timeframe within which Vendors are to provide the requested information. Failure of a Vendor to supply all information requested by the Lottery, within the timeframe established, including information on Substantial Subcontractors, may result in a determination of non-responsiveness and removal of the Vendor from further consideration.

The Lottery may require disclosure of the information required by section 3.4 of this Solicitation from any Vendor or Subcontractor if the Lottery finds that such disclosure is necessary to protect the dignity and integrity of the Lottery and the best interests of the State. The Lottery reserves the right, at its sole discretion, to deem any proposed Subcontractor as a Substantial Subcontractor.

In order for the Lottery to enter into an Agreement with the Successful Vendor, the Successful Vendor and its Substantial Subcontractors, if any, must receive a favorable determination of financial responsibility and pass the Lottery's background investigation.

Pursuant to section 120.57(3)(f), Florida Statutes, in a protest to this Solicitation, no submissions made after the Lottery announces its intent to award an Agreement, reject all Replies, or withdraw the Solicitation which amend or supplement the Reply will be considered.

## **2.26. INFORMATION FROM OTHER SOURCES**

The Lottery reserves the right to seek and obtain credible and authoritative information from outside sources regarding the Vendor, the Vendor's offerings, capabilities, references, and the Vendor's performance, if the Lottery deems such information pertinent to this Solicitation. The Lottery may consider such information throughout the Solicitation process, including but not limited to evaluation and negotiation of the Vendor's Reply. This may include, but is not limited to, the Lottery engaging consultants, subject matter experts and others to ensure that the Lottery has complete and accurate information pursuant to this Solicitation.

## **2.27. NON-RESPONSIVE REPLIES**

Each Vendor must timely submit a Reply that conforms in all material respects to this Solicitation. The Lottery reserves the right to determine whether a Reply meets the material requirements of this Solicitation. The Lottery also reserves the right to waive any minor irregularities. A minor irregularity is a variation from the Solicitation that does not give one Vendor a competitive advantage over other Vendors.

Replies that do not conform in all material respects to this Solicitation will be rejected as non-responsive. Further in accordance with section 3.2.3, Vendors unconditionally accept each and every provision of this Solicitation including, but not limited to, the Terms and Conditions in Part 4: Special Terms and Conditions in order to be deemed responsive and eligible for negotiations.

***Requests for changes to terms and conditions of the Agreement may be addressed through the question and answer process, submitted pursuant to section 2.14: Vendor Questions.***

Acceptance of the Terms and Conditions, including any modification by addendum or express change through an answer to a question submitted pursuant to section 2.14: Vendor Questions, is a material requirement of this Solicitation and will be deemed evidenced by submission of a Reply.

## **2.28. DISQUALIFICATION FOR NON-RESPONSIBILITY**

A Vendor will be rejected as non-responsible if the Vendor is determined by the Lottery to lack the capability in all respects to fully perform the Agreement requirements, and/or lack the integrity, security, reliability, and/or financial responsibility that will assure good faith performance throughout the term of the resulting Agreement. Business stability and wherewithal to perform and support the Lottery are required.

## **2.29. EVALUATION TEAM**

The role of the Lottery's Evaluation Team will be to identify vendors reasonably susceptible of award. The Evaluation Team will consist of at least three persons who the Lottery determines to collectively have

experience and knowledge in the program areas and service requirements sought. Team member names will be announced at the start of evaluations.

### **2.30. EVALUATION CRITERIA**

After the Reply Qualification and Cure Process is completed, the Evaluation Team members will evaluate Replies against the evaluation criteria set forth in this Solicitation. The averaged scores will be used to establish a competitive range of replies reasonably susceptible of award.

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2.30.1. **Award Scale for Evaluation**

A scoring system will be used in the evaluation of Vendor Replies, which will provide numerical scores representing the Evaluation Team members’ assessment of the relative merits and the quality of the Reply for that criterion. Vendors are reminded that failure to provide a clear and complete response to each evaluation criterion, regardless of the points assigned to each criterion, may have an impact on the Vendor’s total reply score.

Points in this process are awarded based on the Evaluation Team members’ review assessment, using the following award scale:

<b><u>Award Scale for Evaluation</u></b>	
<b><u>Percent Range</u></b>	<b><u>Description</u></b>
90-100	The Vendor’s Reply for the criterion demonstrates or describes extensive competence, proven capabilities, an outstanding approach to the subject area, innovative, practical and effective solutions, a clear and comprehensive understanding of the requirements, planning for the unforeseen, and demonstrated experience and skills.
80-89	The Vendor’s Reply for the criterion demonstrates or describes clear competency, consistent capability, a reasoned approach to the subject area, feasible solutions, a sound understanding of the requirements, and demonstrated experience and skills in some areas.
70-79	The Vendor’s Reply for the criterion demonstrates or describes a fundamental competency, adequate capability, basic approach to the subject area, apparently feasible but somewhat unclear solutions, a fair understanding of the requirements, and a lack of demonstrated experience and skills in some areas.
60-69	The Vendor’s Reply for the criterion demonstrates or describes minimal capability, an inadequate approach to the subject area, infeasible or ineffective solutions, is somewhat unclear, demonstrates a lack of understanding of the requirements, and a lack of demonstrated experience and skills.
1-59	The Vendor’s Reply for the criterion demonstrates or describes a significant or complete lack of understanding, an incomprehensible approach, and a significant or complete lack of skill and experience.
0	The Vendor’s Reply was found to be so severely flawed for the criterion as to render an essential element of the criterion unworkable; or not addressed at all.

**2.30.2. Evaluation**

Evaluation consists of an evaluation of products, services, plans, corporate capability, and proposed staff, based solely on requirements and criteria defined in this ITN.

Using the Award Scale in section 2.30.1, each of the factors will be scored by the Evaluation Team members, considering all text, clarifications, and other relevant sources of information.

Emphasis in each Reply should be on completeness and clarity of content, thereby enabling the Evaluation Team members to make a comprehensive, fair, and impartial evaluation of the Vendor and its Reply. The ability to evaluate a Vendor’s Reply is dependent upon the completeness of the Reply. Failure of a Vendor to provide information requested by this ITN may result in the reduction of scoring during evaluation of that criterion.

As stated in section 3.3.B, Reply Contents, Vendors should follow section 3.5: *Volume Two – Vendor Scope of Work Response and Solution* when preparing and organizing their response to Volume Two. The available points for each of the evaluation criteria are:

<b>Section 3.5.1: Vendor Qualifications</b>	<b>2,000 points maximum</b>
Subsection 3.5.1.1: Vendor Experience <i>(800 points maximum of available 2,000)</i>	
Subsection 3.5.1.2: Branch Offices <i>(800 points maximum of available 2,000)</i>	
Subsection 3.5.1.3: Disaster Recovery <i>(400 points maximum of available 2,000)</i>	
<b>Section 3.5.2: Vendor Personnel Qualifications</b>	<b>1,000 points maximum</b>
Subsection 3.5.2.1: Account Management <i>(300 points maximum of available 1,000)</i>	
Subsection 3.5.2.2: Implementation and Conversion <i>(250 points maximum of available 1,000)</i>	
Subsection 3.5.2.3: Ongoing Banking Operations <i>(450 points maximum of available 1,000)</i>	
<b>Section 3.5.3: Depository Services</b>	<b>1,000 points maximum</b>
Subsection 3.5.3.1: Processing <i>(400 points maximum of available 1,000)</i>	
Subsection 3.5.3.2: Verification <i>(300 points maximum of available 1,000)</i>	

Subsection 3.5.3.3: Return Item Processing <i>(150 points maximum of available 1,000)</i>	
Subsection 3.5.3.4: Transaction Research <i>(150 points maximum of available 1,000)</i>	
<b>Section 3.5.4: Account Structure</b>	<b>1,800 points maximum</b>
Subsection 3.5.4.1: Master Concentration Account <i>(600 points maximum of available 1,800)</i>	
Subsection 3.5.4.2: Two Controlled Disbursements/ZBA <i>(600 points maximum of available 1,800)</i>	
Subsection 3.5.4.3: Ten Change/Redemption Accounts <i>(600 points maximum of available 1,800)</i>	
<b>Section 3.5.5: Wire Transfers</b>	<b>1,000 points maximum</b>
Subsection 3.5.5.1: Processing <i>(300 points maximum of available 1,000)</i>	
Subsection 3.5.5.2: Warehoused and Future-dated Wire Transfers <i>(250 points maximum of available 1,000)</i>	
Subsection 3.5.5.3: Repairs <i>(200 points maximum of available 1,000)</i>	
Subsection 3.5.5.4: Interruptions and Failures <i>(250 points maximum of available 1,000)</i>	
<b>Section 3.5.6: Automated Clearing House (ACH) Transactions</b>	<b>1,500 points maximum</b>
Subsection 3.5.6.1: Processing <i>(400 points maximum of available 1,500)</i>	
Subsection 3.5.6.2: ACH Debit Authorization Service <i>(200 points maximum of available 1,500)</i>	
Subsection 3.5.6.3: Receiving ACH Transactions <i>(300 points maximum of available 1,500)</i>	
Subsection 3.5.6.4: Modifications <i>(100 points maximum of available 1,500)</i>	
Subsection 3.5.6.5: Returned Items <i>(200 points maximum of available 1,500)</i>	
Subsection 3.5.6.6: Redeposits <i>(300 points maximum of available 1,500)</i>	



<b>Section 3.5.7: Vendor System and Technical Capabilities</b>	<b>750 points maximum</b>
Subsection 3.5.7.1: Account Reconciliation Services <i>(200 points maximum of available 750)</i>	
Subsection 3.5.7.2: Information Reporting <i>(200 points maximum of available 750)</i>	
Subsection 3.5.7.3: Statements and Reports <i>(200 points maximum of available 750)</i>	
Subsection 3.5.7.4: Positive Pay <i>(150 points maximum of available 750)</i>	
<b>Section 3.5.8: Implementation</b>	<b>450 points maximum</b>
<b>Volume Two MAXIMUM AVAILABLE POINTS</b>	<b>9,500</b>

2.30.3. **Scoring**

Evaluation Team members will individually assign a percentage of the available points for each evaluation criterion (listed in section 2.30.2) from 0% to 100% using the Award Scale provided in section 2.30.1. Scoring for each of the criteria identified in section 2.30.2 will, for each individual evaluator, be calculated by multiplying the points available by the percentage assigned by the Evaluation Team. Thereafter, the scores of the Evaluation Team members will be combined and averaged to determine the initial ranking of Vendors.

In a public meeting, the Evaluation Team will review the scores and establish a competitive range of Replies reasonably susceptible of award. In the public meeting, evaluators may change their initial scores based on their discussions with other evaluation committee members and any subject matter experts.

Vendors within the competitive range may be advanced to the negotiations phase of this ITN. The Evaluation Team will then select one or more vendors within the competitive range to proceed to negotiations.

**2.31. COST SUBMISSION OPENING**

Cost Submissions will be opened with the names of the responding Vendors read aloud and recorded in a public meeting after the scoring of Replies. Cost Submissions will not be scored but will be considered by the Negotiation team during negotiations.

## 2.32. NEGOTIATION PROCESS

The negotiations will proceed as follows:

- A. The Lottery reserves the right to negotiate with Vendor(s) sequentially or concurrently to determine the best value to the Lottery. If the Negotiation Team negotiates sequentially, it may determine best value after negotiating with the highest ranked Vendor evaluated within the competitive range. If the best value determination is not made, the Negotiation Team can then move to another Vendor within the competitive range.
- B. Vendors proceeding to negotiations may be required to make a presentation/demonstration, and may be required to provide additional references, an opportunity for a site visit, etc. The Lottery reserves the right to require attendance by particular representatives of Vendor. Any written summary of presentations or demonstrations provided by Vendor shall include a list of persons attending on behalf of Vendor, a copy of the agenda, copies of all visuals or handouts, and shall become part of Vendor's Reply. Failure to provide requested information may result in rejection of the Reply.
- C. The Lottery reserves the right to contact references not provided by Vendor. The results of the reference checking may influence negotiations and best value determination.
- D. At the conclusion of negotiations, the Lottery may issue a written request for Best and Final Offer (BAFO) to one or more of the Vendors with which the Negotiation Team has conducted negotiations. The BAFO will typically contain:
  - A revised Scope of Services;
  - All key business terms and conditions to be included in final contract; and
  - A final price offer.

If BAFOs are requested, the BAFOs will be delivered to the Negotiation Team for review and shall remain a firm offer(s) for 180 days, not permitted to be withdrawn by a Vendor. Thereafter the Negotiation Team will meet in a public meeting to determine which offer constitutes the best value to Lottery based upon the selection criteria set forth in Section 2.33.

- E. The Lottery reserves the right to cease negotiations with any Vendor, and Lottery may not issue a written request for a Best and Final Offer (BAFO) to a Vendor with whom negotiations have ceased.
- F. Lottery does not anticipate reopening negotiations after receiving the BAFOs but reserves the right to do so if it believes doing so will be in its best interests.
- G. Lottery reserves the right to utilize Subject Matter Experts and other technical advisors to assist the Negotiation Team with reviewing the Replies. These persons will not be deemed to be members of the Negotiation Team.

- H. The Lottery reserves the right to negotiate changes to Part 4: Special Terms and Conditions and the Mandatory Requirements of Agreement during the negotiation process in order to achieve best value for the State.

### **2.33. SELECTION CRITERIA**

The focus of the Negotiation Team will be on selecting the Vendor(s) that provides the best value to the Lottery. The best value determination will be based upon the requirements of this ITN and the following selection criteria:

1. The quality, design, approach, workmanship, prior relevant experience, and demonstrated ability of the Vendor to effectively provide the commodities and services that are within the Lottery's mission and which best meet the goals of this ITN;
2. The overall cost to the Lottery;
3. The reasonableness of the contractual terms, including service level agreements;
4. Vendor's ability to provide the commodities and services throughout the state of Florida;
5. Vendor's ability to provide quality and timely commodities and services to the Lottery during the term of the Contract;
6. Vendor's ability to track performance and quality assurance metrics;
7. Optional Offerings proposed by the Vendor; and
8. Compatibility of Vendor's solution with maintenance of the Lottery's integrity and security of its operations.

The Negotiation Team may modify or add to these selection criteria provided that such changes are disclosed to Vendors engaged in such negotiations. Each Negotiation Team Member will formulate his/her own assessment of the value of the solution offered. The Negotiation Team members will not be required to numerically score Vendors; the Negotiation Team's recommendation for award may be made by a majority vote of the Negotiation Team members. The negotiation team is not bound by the scores of the evaluation committee in making its recommendation.

### **2.34. NOTICE OF AGENCY DECISION**

At the conclusion of Negotiations, the Lottery will post a Notice of Agency Decision on the VBS at: [http://www.myflorida.com/apps/vbs/vbs\\_main\\_menu](http://www.myflorida.com/apps/vbs/vbs_main_menu). The Lottery will award to the responsive, responsible Vendor(s) determined by the Lottery to provide the best value to the State.

A Notice of Intent to Award under this Solicitation will not constitute or form any Agreement between the Lottery and a Vendor. No Agreement will be formed until such time Vendor and the Lottery formally execute an Agreement with requisite written signatures. Furthermore, execution of an Agreement does not guarantee placement of an order for commodities and services from the Lottery.

2.34.1. **Reserved Rights after Notice of Agency Decision**

The Lottery reserves the right, after posting notice thereof, to withdraw or amend its Notice of Intent to Award and re-open negotiations with any Vendor at any time prior to execution of an Agreement.

**2.35. AGREEMENT EXECUTION**

The successful Vendor should be prepared to enter into a written Agreement with the Lottery promptly after receiving the draft Agreement from the Lottery; and any failure or refusal to do so may, in the sole discretion of the Lottery, result in award of the Agreement to another Vendor.

The contents of the ITN and any resulting addenda and the successful Vendor's Reply will become contract obligations if a Contract ensues.

2.35.1. **Availability of Funds**

The State of Florida's and the Lottery's performance and obligation to pay under the Agreement resulting from this Solicitation are contingent upon an annual appropriation by the Florida Legislature.

**END OF SECTION**

## PART 3: INSTRUCTIONS FOR PREPARING AND SUBMITTING REPLIES

### 3.1. JOINT REPLIES

Vendors may submit only one Reply. Joint Ventures or Joint Replies will not be considered if submitted in response to this Solicitation and will not be permitted under any Agreement resulting from this Solicitation. If a Vendor is part of more than one Reply, any or all Replies may be disqualified, at the Lottery's discretion. Proposed subcontractors may be included in more than one Reply, in accordance with the provisions of this section.

### 3.2. REPLY FORMAT

*Vendors should prepare their Replies simply and economically, providing a straightforward, concise delineation of their ability to satisfy the requirements of this Solicitation. Replies that are redundant, of excessive length, or contain a preponderance of boilerplate text, are discouraged.* Vendors should use the following format:

1. Replies should be separated into the following three (3) volumes:
  - Volume One: Reply Qualification (no cost disclosure)
  - Volume Two: Vendor Scope of Work Response and Solution (no cost disclosure)
  - Volume Three: Cost Submission and Certification
2. Vendors should not disclose cost information in the Administrative and Technical Reply (refer to section 3.7: Copies of Replies); including cost information in the Administrative and Technical Reply may cause the Reply to be disqualified.
3. Reply Volumes should be in three ring binder(s), identified as "Original" or "Copy," and sequentially numbered. Each binder should contain a corresponding flash drive (refer to section 3.7: Copies of Replies).
4. Reply Volumes should be separated by each major solicitation section and separated by a divider page with the name of the section printed on the tab.
5. Reply Volume Two: Vendor Scope of Work Response and Solution should include an index identifying the page number/section where information can be located in the Reply.
6. Reply Volumes should be clearly labeled on the front cover and spine identifying the Lottery's Project Number, Project Title, and responding Vendor name(s).
7. Each **original** Reply Volume should contain originals of all required documents, with original signatures of the Vendor and/or Substantial Subcontractor, as applicable (refer to section 3.7: Copies of Replies).
8. All information in Replies must be in the English language, with reference to currency stated in US Dollars.

9. Replies should be on paper that is 8.5 by 11 inches, except for foldouts which should be on paper no larger than 11 by 17 inches.
10. Reply font size is at the discretion of each Vendor but should be at least eleven (11) point.
11. Each Reply page should be sequentially numbered and include the Vendor's name.

It is recognized that existing advertising materials, documents, or brochures may not comply with the above prescribed format; therefore, this material will be accepted in current format.

### 3.2.1. **Reply Tenure**

Vendor Replies must be binding until execution of an Agreement with the successful Vendor or withdrawal of this Solicitation by the Lottery.

### 3.2.2. **Confidential Reply Materials**

By participating in this Solicitation and submitting a Reply, each Vendor acknowledges the requirements of the Florida Public Records Laws found in Chapter 119, Florida Statutes and section 24(a), Article I of the Florida Constitution (the "Public Record Laws") and agrees to the provisions set forth in this section. All Replies and written communications regarding this Solicitation become public records upon receipt by the Lottery and therefore are subject to public disclosure. [Note: Replies are temporarily exempt from disclosure during the procurement process as provided in section 119.071(1)(b), Florida Statutes].

If a Vendor considers any portion of its Reply to this Solicitation to be confidential or exempt from disclosure pursuant to the Public Record Laws (e.g. trade secret information), the Vendor must segregate and clearly mark the document(s), in each "***un-redacted***" copy of the Reply as "**CONFIDENTIAL,**" clearly indicating where confidential information starts and ends.

An entire Vendor Reply should not be marked as confidential. An entire page or paragraph in which such information appears should not be marked confidential unless the entire page or paragraph consists of information that is confidential or exempt from the Public Record Laws.

Additionally, Vendors must provide and should submit with their Reply submission a separate index listing of the confidential Reply sections.

#### 3.2.2.1 **Redacted Version**

Simultaneously, Vendors should provide the Lottery with a separate redacted paper and electronic copy of its Reply and a separate index that briefly describes in writing the grounds for redaction, including citation to the specific statutory provision supporting the redaction. The redacted copy should contain the solicitation name, number, and the name of the Vendor on the cover, and be clearly titled "**REDACTED COPY.**"

An entire Vendor Reply should not be redacted. An entire page or paragraph in which such information appears should not be redacted unless the entire page or paragraph consists of information that is confidential or exempt from the Public Record Laws. The

redacted copy should be provided to the Lottery at the same time the Vendor submits its Reply.

This redacted version will be used to fulfill public records requests and will be posted on the State of Florida, Department of Financial Services' centralized, online statewide contract reporting system, Florida Accountability Contract Tracking System (FACTS) website. If the Vendor fails to submit a redacted copy with its Reply, the Lottery is authorized to produce the Vendor's un-redacted Reply in answer to a public records request for these records and post on the FACTS website.

If a legal challenge of any kind ensues regarding confidential and/or trade secret portions of the Vendor's Reply, the Vendor will be responsible for defending, through the judicial process its determination that the redacted portions of its Reply are confidential, trade secret or otherwise not subject to disclosure. Further, the Vendor must protect, defend, and indemnify the Lottery against any and all claims arising from or relating to the determination that the redacted portions of the Vendors Reply are confidential or exempt from Public Record Laws.

### 3.2.3. **Agreement Terms and Conditions / Performance Requirements and Deliverables**

By submission of a Reply, a Vendor agrees with the Lottery's [Mandatory Requirements of Agreement](#) and Part 4: Special Terms and Conditions incorporated hereto. Furthermore, the provisions in Part 4: Special Terms and Conditions are the benchmark requirements for any Vendor desiring to participate in the solicitation process, and as such do not require a specific response from a Vendor.

## 3.3. **REPLY CONTENTS**

The following listing identifies the contents that should be included in each Reply Volume. This listing is being provided for reference purposes only and any omissions do not relieve the Vendor from providing the required documents/information as otherwise specified in this Solicitation.

### A. Volume One: Reply Qualification Documents

Vendors should follow section 3.4: Volume One: Reply Qualification when preparing and organizing their response to Volume One: Reply Qualification

- Chart of Corporate/Business Ownership
- Financial documentation, pursuant to Solicitation section 3.4.1
- Qualified Public Depository documentation
- Background investigation documentation, pursuant to Solicitation section 3.4.2
- Department of State documentation
- Addenda Acknowledgement Form(s), if applicable
- RESPECT of Florida Agreement Terms
- Florida Preference Certification

B. Volume Two: Vendor Scope of Work Response & Solution

Vendors should follow section 3.5: Volume Two: Vendor Scope of Work Response & Solution when preparing and organizing their response to Volume Two: Vendor Scope of Work Response & Solution, demonstrating their experience, ability and approach to perform the tasks required by the Scope of Work. Replies should contain:

- Index identifying the page/section where information can be located in the Reply
- Vendor Qualifications
- Vendor Personnel Qualifications (Staffing Plan)
- Depository Services
- Controlled Disbursements Account (CDA)
- Account Structure
- Wire Transfers
- Automated Clearing House (ACH)
- Vendor System & Technical Capabilities
- Implementation

C. Volume Three: Cost Submission (separately sealed)

- Cost Submission with proposed pricing schedule
- Attachment B: Cost Submission & Certification form
- Optional Offerings

**3.4. VOLUME ONE: REPLY QUALIFICATION**

**3.4.1. Financial Review**

**3.4.1.1 Vendors**

Vendors must be determined by the Lottery, at its sole determination, to be financially capable of providing all commodities and services required in this Solicitation and demonstrate, to the satisfaction of the Lottery, that organizational changes affecting the Vendor will not impede such capability.

Vendors must provide, and should submit with the Reply, complete financial statements certified by an external auditor that are in conformity with U.S. Generally Accepted Accounting Principles (GAAP) or International Financial Reporting Standards (IFRS) for the two most recent fiscal years. Vendors whose stock is traded on a national stock exchange must provide their most recent annual filing (e.g., Form 10-K), as well as their most recent quarterly filing (e.g., Form 10-Q, etc.) if filed subsequent to the most recent annual filing.

If a Vendor submits a consolidated financial statement of its parent corporation, the parent corporation must serve as the Vendor's financial guarantor, execute the Agreement as guarantor and will be held accountable for all terms and conditions of the



Agreement. The Lottery will hold all parties jointly and severally responsible for carrying out all activities required by the Agreement.

Certified financial statements are the result of an audit of the entity's records in accordance with US GAAP or IFRS by an independent certified public accountant (CPA). In order to be considered complete, certified financial statements must be comparative for two years and must include a balance sheet, income statement, statement of cash flows, statement of retained earnings, notes to the financial statements for both years, and any management letters that have been received.

Financial documents must be in English with reference to currency stated in U.S. Dollars. The Lottery will only consider certified financial statements in the currency and language specified in this Solicitation.

If a Vendor experiences a material change in financial condition and/or ownership, or experiences material financial irregularities during the Solicitation process, such changes, including a clear delineation and explanation of said changes, must be provided, and should be submitted immediately upon identification, to the Issuing Officer identified in section 2.9. Any change in financial guarantor made during the Solicitation process requires written notification to the Lottery at least 180 days prior to the date of the effective change. The Lottery reserves the right to require certified financial statements and other records related to such changes.

The Lottery reserves the right to require submission of certified financial statements completed during the Solicitation process, as well as any additional financial information required by the Lottery in connection with this Solicitation.

#### 3.4.1.2 **Substantial Subcontractors**

The Lottery will conduct financial reviews of proposed Substantial Subcontractors. The Lottery will notify applicable Vendors of the financial information that should be submitted for its Substantial Subcontractors. A date for submission will be provided. Failure of a Vendor to submit certified financial statements for its Substantial Subcontractors in accordance with section 3.4.1 for the two most recent fiscal years, by the date established by the Lottery may cause the Reply to be rejected as non-responsive.

#### 3.4.2. **Background Investigations and Disclosures**

This section contains the disclosure requirements in subsection 24.111(2), Florida Statutes, which provides that any failure to provide complete, true and accurate information hereunder renders an Agreement unenforceable as a matter of law.

The Lottery will conduct background investigations on the apparent successful Vendor and its Substantial Subcontractors, if any. In the Lottery's sole determination, the Vendor must be determined to have the competence, integrity, background, and character necessary to provide

the commodities and services required by this Solicitation. If the Vendor or a Substantial Subcontractor is a subsidiary of a parent entity, the Lottery may request the above disclosures from the parent entity as necessary.

The commodities and services requested in this Solicitation have a fundamental role in the operation of the Lottery, and full trust in, and cooperation of, Vendors, their Substantial Subcontractors, and the successful Vendor is essential to the Lottery's integrity and success.

Vendor background investigations and disclosure information required by this section will, in part, be used by the Lottery in determining Vendor responsibility.

For forms in this section requiring notarization, where the Vendor or Substantial Subcontractor is located in a country in which a notary public system does not exist, the signature must be authenticated in customary form according to the laws of that country.

***For subsections 3.4.2.1 thru 3.4.2.5, Vendors must provide and should submit the following with their Reply submission:***

**3.4.2.1 Conflict of Interest and Disclosure Form**

The Authorized Representative(s) of each Vendor and their Substantial Subcontractors must complete the information requested on the [Conflict of Interest and Disclosure Form](#), or if no disclosures are necessary select "By checking this box, I certify there are no disclosures to make for this section."

Replies from Vendors who have active client relationships that would pose a conflict of interest with the Lottery will not be eligible for consideration, except if a Vendor certifies in its Reply that it will sever its active client relationship should it be awarded the Solicitation. Vendors must provide a clarifying explanation on an attachment to the [Conflict of Interest and Disclosure Form](#) if they believe a potential conflict of interest may apply or may be perceived to apply.

**3.4.2.2 Disclosure Affidavit Form**

Vendors and their Substantial Subcontractor(s) authorized Corporate Officer, must execute a notarized [Disclosure Affidavit](#) as required by subsection 24.108(4), and section 24.111, Florida Statutes.

Additionally, if the Vendor is not the financial guarantor of a resulting Agreement, the financial guarantor must also execute a notarized [Disclosure Affidavit](#).

**3.4.2.3 Vendor Personal Profile Form**

If a Vendor or Substantial Subcontractor is a sole proprietorship or general partnership, the individual owner or each individual partner must execute the [Vendor Personal Profile](#) Form.

All other Vendor(s) will be notified by the Lottery, throughout the Solicitation process, of individuals who must complete a notarized [Vendor Personal Profile Form](#) and obtain a fingerprint card. A date for submission of these forms will be provided. Failure of a Vendor to supply all of the requested [Vendor Personal Profile Forms](#) for itself or its Substantial Subcontractors by the date established by the Lottery may cause the Reply to be found non-responsive.

For publicly traded corporations, background investigations will be conducted on shareholders of 5 percent or more.

**3.4.2.4 Chart of Corporate/Business Ownership and Organizational Charts**

Vendors must provide an accurate and current Chart of Corporate/Business Ownership for themselves and their Substantial Subcontractors, including parent company(s), and subsidiary companies.

Additionally, Vendors must provide and should submit organizational charts for the Vendor and its Substantial Subcontractors that include all of the individuals identified on the [Disclosure Affidavit](#) (Corporate Officers and Directors) with associated titles and any personnel performing 50 percent or more of their work on the Lottery account (“Key Personnel”).

**3.4.2.5 Additional Background Investigations**

The Lottery reserves the right to conduct background investigations pursuant to chapter 24, Florida Statutes and as set forth above on any officer, principal, investor, owner, subcontractor, employee, or any other associate of a Vendor, and/or Substantial Subcontractor it deems appropriate.

Within thirty (30) days of execution of the Agreement, all key personnel performing services thereunder and as designated by the Lottery must undergo a background investigation by the Division of Security. Each designated individual will be fingerprinted and will be required to complete and provide to the Lottery a background investigation form.

**3.4.3. Department of State**

All entities defined under Chapters 605, 607, 620, 621 or 622 Florida Statutes, seeking to do business with the Florida Lottery must be on file and in good standing with the Florida Department of State throughout the entire Solicitation process. Vendors must provide and should submit a copy of their certificate of status or authorization to transact business, issued from the Department of State or submit evidence of their application for the same in the Reply.

**3.4.4. Acknowledgement of Addenda**

The Addendum Acknowledgement form included with each addendum issued by the Lottery must be executed by the Vendor's Authorized Representative and should be returned with the Reply.

Written acknowledgement of all addenda issued prior to the Solicitation due date will become part of each Vendor's Reply.

**3.4.5. RESPECT of Florida**

The Florida Lottery is committed to maximizing employment opportunities for individuals throughout this State who are blind or otherwise qualify as handicapped under Chapter 413, Florida Statutes, and for such individuals to increase their independence and self-sufficiency.

To further the Lottery's commitment in this regard and to ensure that RESPECT of Florida, the qualified non-profit agency operating under the authority of Chapter 413, Florida Statutes, is afforded the opportunity to provide commodities and/or contractual services necessary for the Contractor to perform its contractual obligations, Vendors must execute the [RESPECT of Florida Agreement Terms](#) and should submit with their Reply.

**3.4.6. State of Florida Qualified Public Depository**

Vendors must be a Financial Institution that has been designated as a "qualified public depository" by the Treasurer of the State of Florida as provided by section 280.02(26), Florida Statutes. The responding financial institution must have received a "Satisfactory" or higher rating on its most recent Community Reinvestment Act (CRA), 12 U.S. Code 2901 performance evaluation.

Vendors must provide and should submit with their Reply documentation that on the date of Reply submission it is a Qualified Public Depository and maintains a Federal clearing account at a Jacksonville or Miami branch of the Federal Reserve Bank of Atlanta.

**3.4.7. Preference to Florida Businesses**

This Solicitation is subject to the provisions of section 287.084, Florida Statutes, whereby Florida businesses will receive preference in the award of an Agreement.

In the letting of any or all public contracts, a Vendor whose principal place of business is outside the State of Florida must provide a written opinion signed by an attorney at law licensed to practice law in that foreign state, as to the preferences, if any or none, granted by the law of that state to business entities domiciled within its state boundaries which should accompany its submission to this Solicitation. The written opinion must state with specificity the type of preference, how it is applied and circumstances when it is applicable.

For the purpose of this Solicitation, "principal place of business" means the state in which the Vendor has a physical presence and from which the Vendor's high-level officers direct, control, and coordinate the Vendor's activities.

### 3.5. VOLUME TWO: VENDOR SCOPE OF WORK RESPONSE AND SOLUTION

**Response Guidance:** Vendor Volume Two responses should demonstrate how the Vendor will perform the scope of services outlined in this Solicitation and identify any services referenced in this Solicitation that the Vendor is unable to fully perform. Additionally, Vendor Volume Two responses should identify any initial problems or difficulties the Vendor foresees with providing the services as identified in this Solicitation and provide a detailed plan on how the Vendor proposes to mitigate or address such issues.

#### 3.5.1. Vendor Qualifications

##### 3.5.1.1 Vendor Experience

Vendors should submit a historical overview of their experience providing the same or similar type of banking services, both volumes and amounts, sought in this Solicitation. Additionally, Vendors should identify the transaction volume and spend to clients over the previous five fiscal years. Vendor Replies should include customer service response time expectations, including but not limited to transaction inquiries, for current clients or clients within the past five years, and the Vendor's history on meeting or exceeding the established response time expectations. Where possible, the Lottery desires that client names be indicated. If a Vendor has a client with whom there is a non-disclosure agreement, then the good or service category should be indicated.

Vendors should identify which services or parts of this Solicitation will be provided by in-house Vendor personnel or its sister organization(s) located in Florida, in-house Vendor personnel located outside the state of Florida, or sister organization(s) located outside the state of Florida. Additionally, Vendors should identify which services or parts of this Solicitation, Subcontractors will be hired to perform, the percentage of work they will provide, and where they are located.

Vendor Replies should include a complete history of its structure for the past five years, including but not limited to, information on all mergers, sell-offs, buy-outs, etc., and the business reasons for these decisions. Vendor Replies should identify any contract(s) terminated for default or cause during the past five years including the other party's name, address, telephone number, and full details.

##### 3.5.1.2 Branch Offices

The Florida Lottery currently has nine [District Office Locations](#) throughout the state of Florida. Vendors should provide the address of its branch office closest (measured in both miles and estimated driving time) to each Florida Lottery [District Office Location](#); a list of all Florida branch offices or affiliated banks, including addresses and hours of operation; and identify any current branch office location in these areas where there are plans to close or consolidate office locations.

Vendors should describe their capability to handle Lottery players cashing prize checks issued by each Florida Lottery [District Office Location](#). Vendor responses should address how technology advances have or will impact their ability to offer a branch office location in each of the identified cities; and how players will be able to cash prize checks, if there is not a branch office location.

#### 3.5.1.3 **Disaster Recovery**

Vendor Replies should include a description of the Vendor's disaster recovery plan and procedures and how Lottery records would be protected and/or recovered; if the Vendor has off-site backup capabilities; if the Vendor or a third-party provider manages the off-site backup facility; how quickly back-up facilities can be activated; and the disaster recovery services that can be provided to the Lottery, if the Lottery cannot operate from its own facilities.

Vendors should refer to section 3.2.2: Confidential Information of this Solicitation when preparing their response.

### 3.5.2. **Vendor Personnel Qualifications (Staffing Plan)**

Vendors should provide information, as specified below, that documents its organizational structure and the staffing with which the Lottery account will be implemented and operated.

If recruitment of personnel to fill a position will be required, the response should describe the Vendor's criteria for selection including education, experience, knowledge, skills and abilities, etc.

Throughout this Solicitation process, Vendors should notify the Lottery Issuing Officer of any staffing changes that impact the Vendor's proposed staffing plan and may supplement their Reply to identify any replacement personnel in the same manner and form that the original personnel were identified, including but not limited to replacement resumes and updated organizational charts.

#### 3.5.2.1 **Account Management**

Vendor Replies should identify one account executive and one technology contact as the primary contacts for all matters concerning the Lottery's accounts, and an alternate contact for both positions.

The account executive and technology contact should remain constant from implementation and conversion to ongoing banking operations.

#### 3.5.2.2 **Implementation and Conversion**

Vendor Replies should include a staffing plan that identifies all personnel (names and titles), or position if vacant, who will be integral to the implementation and conversion of Lottery banking services; and management chain of command. Additionally, Vendor

Replies should include the percentage of employee's time which will be dedicated to implementing/converting the Lottery account; if the employee will be part of the team providing ongoing Banking Services to the Lottery; brief biography for each employee; and their proposed duties and responsibilities.

### 3.5.2.3 **Ongoing Banking Operations**

Vendor Replies should include a staffing plan that identifies all personnel (names and titles), or position title if vacant, who are expected to be active in providing ongoing banking services to the Lottery account, management chain of command, the percentage of each employee's time which will be dedicated to the Lottery account, brief biography for each employee, and their proposed duties and responsibilities.

## 3.5.3. **Depository Services**

### 3.5.3.1 **Processing**

Vendor should provide their cut-off time(s) to ensure same day ledger credit, and if it is the same for cash as for ACH, checks and drafts. Additionally, Vendors should identify if there are any options that might affect this cut-off time (e.g., provisional credit, delayed verification).

Vendors should describe their ability to provide Remote Deposit Services (RDS) and features available with the service. Vendors should include a description of the process for electronically transmitting deposits during the Remote Deposit Scanner to scan checks and features of the online portal. Vendors should provide sample reports available with this service and should describe the availability of check images through the portal.

### 3.5.3.2 **Verification**

Vendors should provide a detailed description of their verification process. At a minimum, Vendor should include how many bank employees are present when deposit bags are opened and what specific security measures are employed; how and what timeframe the validated deposit receipt will be returned to the Lottery; whether or not provisional credit is given and when verification takes place; if the Vendor identifies and adjusts all discrepancies or the dollar amount at which the Vendor writes-off discrepancies; if the deposit amount is adjusted or an adjusting debit or credit is processed; the standard procedure for reporting deposit adjustments and what additional options are available; the Vendor's policy on receipt of tampered bags; the Vendor's notification and adjustment process, when counterfeit bills are discovered; and identify if the Vendor requires bank tellers to request identifying information on all cash deposits and if so, describe how this service is provided.

### 3.5.3.3 **Return Item Processing**

Vendors should provide their standard return item and re-clear processing instructions and list any nonstandard options that are available. Vendors should identify if it is their

policy to refuse return items not sent through the Vendor's system in a timely manner, if float is assigned to return items, and if Re-presented Check Entries Services (RCK) are offered. If RCK is not currently offered, Vendor should identify they anticipate offering this service at some point in the future, if so, when.

#### 3.5.3.4 **Transaction Research**

Vendors should describe what documentation is provided with deposit correction adjustments, within what timeframe copies of requested documentation can be provided, and what delivery options are available.

### 3.5.4. **Account Structure**

Vendors should describe their ability to accommodate the following Account Structure:

#### 3.5.4.1 **Master Concentration Account**

Vendors should describe their ability to meet the requirements outlined in section 4.9.1: Concentration Account, including but not limited to the ability to receive cash balances due from Lottery Retailers; the ability to transfer funds to zero balance/controlled disbursement account(s); the ability to maintain a minimum balance and what the minimum balance is; the ability to execute wire transfers daily to the State Treasury; and the ability to provide daylight overdraft protection of at least \$75 million dollars in the event that expected wire transfers are not timely received.

Additionally, Vendors should describe their ability to process the Lottery's ACH sweep file in a standardized format, ability to collect amounts owed for deposit into the account and provide the Lottery immediate credit for use of such funds, automatic re-sweep of accounts with insufficient funds, and capability to return to the Lottery all failed ACH items within 5 business days from the effective date of the ACH.

#### 3.5.4.2 **Two Controlled Disbursements Accounts (CDA)**

Vendors should describe their ability to meet the requirements outline in section 4.9.2: Two Controlled Disbursements Accounts (CDA), including but not limited to ability to issue payment from/to Lottery Retailers for refunds, overpayments, promotional bonuses, and adjustments; ability to pay prize winners; ability to write checks to prize winners; ability to identify each district office through the first two digits of each check number; ability to ensure at the close of each banking day that all checks written are paid or Lottery initiated wire transfers are cleared; ability to transfer any remaining daily balance to an interest bearing account; and ability to furnish daily electronic statements with checks sorted by number and all supporting documentation. Additionally, Vendor responses should provide a detailed description of their ability to process the Lottery's quarterly annuity winner payments. Vendors should describe their data transmission process for securely uploading and processing wire transfer/ACH files with multiple payees.



Vendors should provide a detailed description of their CDA product(s), including but not limited to advantages and disadvantages to the Lottery; identification if ACH settlements can be drawn on controlled disbursement accounts; ability to communicate CDA check presentment via online financial reporting; ability to meet the initial and final presentment requirements; and how many times final notification target deadlines have been missed within the last year.

#### 3.5.4.3 **Ten Change/Redemption Accounts**

Vendors should describe their ability to meet the requirements outlined in section 4.9.3: Change/Redemption Accounts (Checking Account) including but not limited to the ability to maintain an individual account for the Lottery Headquarters and each of the nine district offices and the ability to ensure the entire amount of all checks deposited to any of these accounts is credited on the day of deposit.

### 3.5.5. **Wire Transfers**

#### 3.5.5.1 **Processing**

Vendors should provide a detailed description of its wire transfer processing protocols. At a minimum, Vendor Replies should include the opening hours and cut-off times, in Eastern Time, for initiating wire transfers to ensure same-day execution, the methods of initiation offered; the wire transfer categories in the Vendor's system (i.e. input, approved, released) and for telephone initiated wire transfers; how international wire transfers and foreign drafts are handled, and the provisions in place to allow the Lottery to initiate a priority wire transfer requiring special handling and immediate release. Additionally, Vendor Replies should identify whether the Vendor offers an on-line repetitive or semi-repetitive wire transfer line sheet setup function, if so provide a detailed description.

Vendors should describe the levels and types of security safeguards in place when initiating and releasing wire transfers.

Vendors should describe what controls are in place to prevent wire transfer fraud and what the Vendor's experience has been with fraud in the wire transfer area. Vendors should describe the security in place for repetitive and free form wire transfers and how it differs between the two.

#### 3.5.5.2 **Warehoused and Future-dated Wire Transfers**

Vendor Replies should identify if its wire transfer system has the capability of warehousing instructions for future value-dated wire transfer transactions and if so provide a detailed description of any system limitations; and identify what time the wire transfer system releases future-dated, automatic transfer wires. Additionally, Vendors should identify if the warehouse function is limited to certain types of wire transfers and if the wire transfer system will provide a tickler report of warehoused transfers that are pending current day release.

Additionally, Vendors should identify if it is possible to cancel a previously warehoused wire transfer request before the value day and/or on the value day.

#### 3.5.5.3 **Repairs**

Vendors should identify under what circumstances incoming and outgoing wire transfers require repair. Vendors should describe the procedures and timeframes for repairing incoming and outgoing wire transfers, conditions the Vendor would not repair a wire transfer and corresponding procedures in these cases, and how the customer is notified of wire transfer repairs. Additionally, the Vendor should identify if the customer is provided reports tracking wire transfers requiring repair and if so, how they are provided.

#### 3.5.5.4 **Interruptions and Failures**

Vendor Replies should describe the Vendor's policy in the event of a wire transfer failure for which receipt of instructions has been confirmed by the Lottery including how and when the Lottery is notified of a failed wire transfer.

Vendors should identify if there have been interruptions in the processing of wire transfers due to the bank managing its net debit cap and what steps it takes to ensure uninterrupted service.

### 3.5.6. **Automated Clearing House (ACH)**

#### 3.5.6.1 **Processing**

Vendors should identify the ACH unit hours of operation, the Vendor's cut-off times for the Lottery to initiate ACH transactions; if same-day ACH book transfers can be made and if so what time the file must be received by in order for the funds to be available in receiving accounts the same day; the Vendor's maximum retention period for future-dated transactions; the Vendor's procedures for handling pre-notification to include but not limited to when new ACH instructions are provided; and how the Lottery would be advised of the National Automated Clearing House Association (NACHA) rule changes and impacts.

Vendors should include a description of proposed commodities and/or services that will be provided to protect the Lottery's accounts from unauthorized ACH debits; as well as a description of ACH services, Internet Initiated (WEB), and Telephone Initiated (TEL) products and/or services that will be provided to the Lottery.

#### 3.5.6.2 **ACH Debit Authorization Service**

Vendors should identify if all ACH debits can be blocked from the Lottery's account, if it can selectively accept ACH debits only from originators authorized by the Lottery, and if payment can be stopped on individual transactions and the procedure to do so. Additionally, Vendor Replies should include the method(s) used to notify the Lottery of

the receipt of unauthorized ACH debits; and how the receipt of entries from unauthorized entities is handled.

#### 3.5.6.3 **Receiving ACH Transactions**

Vendors should describe what information is provided, how incoming ACH transactions are reported, and if Cash Concentration + Disbursement (CCD+) addenda information is provided.

Vendors should identify if transaction or file dollar limits are utilized and describe what procedures will be followed if the Lottery submits a file that exceeds the limit.

Vendors should identify if both debits and credits are accepted on the same file and if so, are there any additional requirements.

Additionally, Vendors should include a detailed description of the procedures used to verify the accurate and secure receipt of transmissions.

#### 3.5.6.4 **Modifications**

Vendors should describe the transaction modification process including but not limited to the capability to modify a transaction originated by the Lottery prior to releasing the transaction to the ACH operator, the modifications that can be made, and the deadline for receiving instructions to modify a transaction.

Vendor Replies should include a detailed description of the process used to reverse and delete files, batches and items including but not limited to the deadlines for reversing or deleting each; the security procedures followed; and how the Lottery will be notified.

#### 3.5.6.5 **Returned Items**

Vendors should describe their ACH return process and identify if returned funds will be posted the Lottery's account. Vendor Replies should identify if items returned for insufficient or uncollected funds can be automatically redeposited to the Lottery account and if so, would entries be posted to the Lottery's account.

#### 3.5.6.6 **Redeposits**

Vendors should describe their ability to automatically complete a standardized ACH re-sweep of items initially returned for insufficient or uncollected funds. Vendor Replies should include details on its ability to provide the Lottery immediate credit for and use of such funds as the re-sweep file is processed.

### 3.5.7. **Vendor System and Technical Capabilities**

Vendors should identify and describe the technical capabilities of the Vendor's proposed system including but not limited to whether the system uses client/server technology or stand-alone

software for client access to bank information. If the Vendor does not currently use client/server technology, does the Vendor have plans for client/server technology implementation; and if the Vendor uses stand-alone software does it support the MS Windows environment. Vendor Replies should include the level of support the Vendor will provide to recreate files and reports that may have been corrupted, destroyed, or not accessed.

Vendors should include a description of the hardware/software that will be used to deliver balance and transaction detail information to the Lottery, the communication parameters that the Vendor can support (e.g. modem speed, async or bisync, stop bits, parity, and protocols), the hours of technical support, and other services available through the system (e.g. funds transfer initiation).

Additionally, Vendor Replies should identify if the Vendor has the technology required to allow the Lottery to scan checks received over-the-counter and in the mail, in order to receive the funds by ACH (Back Office Conversion/BOC); and if so a description of the technology and any applicable processes/protocols. If not, the Vendor should describe future plans to implement this service and provide a date for implementation.

#### **3.5.7.1 Account Reconciliation Services**

Vendors should describe the details of any Account Reconciliation Services offered including but not limited to the deadline for same day action, if the Vendor's system will verify if a check has been paid before accepting a stop payment, how much history is examined in the verification process, if stop payments can be requested for a range of checks and the limit of that range, and any other reconciliation features the Vendor has that distinguishes it from other Vendors.

#### **3.5.7.2 Information Reporting**

Vendors should identify its information reporting system hours of access, what time previous day information will be available for access by the Lottery, when and how the Lottery will be notified if information is delayed, the formats information is available for retrieval, if current day information is provided and the frequency it is updated throughout the day, how many days of history can be accessed through the system, if the system allows history retention to be determined by the Lottery, and the Vendor's ability to provide the Lottery with a download of historical data.

Vendors should describe the system inquiry capabilities including but not limited to the ability to inquire about specific transaction reports and ability to conduct history inquiries by date range(s).

##### **3.5.7.2.1.1. System Administrator Functions**

Vendors should describe the security measures in effect for any internet based communication/reporting system including but not limited to the

security measures for the Master User / Security Administrator, if the system can require dual Security Administrators, and what function the Security Administrator performs.

Additionally, Vendors should describe if security access codes (passwords) are encrypted or authenticated, if a Log-on Report is available showing all logons over a given period, using User ID, date, and time, if passwords are user-defined or bank provided, if password expiration dates can be assigned, or if the Vendor or Security Administrator assigns the date.

Additionally, Vendors should describe how users are restricted to certain functions such as debit account, repetitive only, input only, approve only, inquiry only or other, how account access information is segregated by user and how dollar limits by user and function are established for single transaction amounts and daily aggregate amounts. Vendor Replies should identify if transmissions to the bank are encrypted or authenticated; and what measures are in place to prevent the establishment of an unauthorized account in the Lottery's name or using the Lottery's FEIN.

### 3.5.7.3 Statements and Reports

Vendors should describe the frequency in which hard copy and electronic statements are available, within how many business days from the statement closing date can the Lottery expect to receive its account statements, and how it differentiates items posted to Lottery accounts (i.e. wire transfers, ACH transactions, checks processed deposits made).

Vendors should describe their ability to provide account analysis electronically including but not limited to how soon after the close of the billing period the account analysis will be available to the Lottery, what methods the analysis can be transmitted, and how adjustments are reflected on the account analysis. Vendors should provide a list of transaction types available on current day reports, describe the level of detail provided in previous and current day reports, and provide samples of previous and current day reports, as well as examples of balance and transaction reports.

Vendors should provide sample statements, reports and/or system screen shots for every report and transaction described in this Solicitation.

Vendors should provide a copy of all forms required to initiate the services requested in this Solicitation. **Sample forms are restricted to only those necessary to document financial transactions and account information.**

#### 3.5.7.4 **Positive Pay**

Vendor Replies should include a detailed description of Vendor's positive pay service; identify if approved Paid No Issue (PNI) checks are automatically added to the file for account reconciliation purposes; describe how PNI reports are delivered, including but not limited to if Magnetic Ink Character Recognition (MICR) error/misreads are deleted from the PNI report prior to the reporting being sent/transmitted, if check copies can be integrated with the PNI report and description of how check copies are delivered; if Positive Pay is available on CDA's; and other review criteria available for Positive Pay Services.

#### 3.5.8. **Implementation**

Vendors should provide a detailed description of the implementation process, including testing, and a proposed implementation schedule to meet a "go live" date of July 1, 2017. Vendors should identify the critical factors that may impact the lead time necessary to ensure a "go-live" date of July 1, 2017. Each Vendors implementation process/plan should include at a minimum account setup, deposit ticket orders / endorsement stamps, processing of standard forms, installation of software, staff training, and repetitive line sheet setup. Vendors should identify if they will assign an implementation team, and if so what members of their team will be assigned, as well as, the Vendor's desired personnel for a Lottery Implementation Team.

### 3.6. **VOLUME THREE: COST SUBMISSION AND CERTIFICATION**

Each Vendor's Cost Submission must include its proposed pricing schedule for the goods and services outlined in this Solicitation; and should include pricing by volume and transaction type. Additionally, pursuant to section 3.2.3: Reply Execution each Vendor must complete, sign, and return Attachment B: Cost Submission and Certification form in a separate sealed container, executed by an Authorized Representative of the Vendor. Vendor Cost Submissions and Attachment B: Cost Submission and Certification, including but not limited to Optional Offerings as described in section 3.6.1: Optional Offerings of this Solicitation, will not be scored, but will be a factor considered during negotiations.

Additionally, Vendors offering optional offerings should identify any one-time or reoccurring fees that will be the responsibility of the Lottery arising from such optional offerings.

#### 3.6.1. **Optional Offerings**

Within the Vendors Volume Three: Cost Submission and Certification, Vendors may identify optional offerings for related commodities and/or services above and beyond the Solicitation requirements that the Vendor believes may be appealing and useful to the Lottery; demonstrate their corporate capability; and/or ability to adapt or expand in a fast-growing market. Optional Offerings should be clearly identified in Volume Three: Cost Submission and Certification as "**OPTIONAL OFFERINGS.**"

Vendors should describe any new, unique, innovative, different, enhanced, additional, or alternative commodity, service or functionality that the Vendor feels would be beneficial to the Lottery in meeting or exceeding the requirements of this Solicitation. Vendors should fully describe the optional offering and identify the Vendor's responsibilities as well as any expectations which would be required of the Lottery. Vendors should not disclose cost information for optional offerings in the Administrative and Technical Reply (refer to section 3.7: Copies of Replies); including cost information in the Administrative and Technical Reply may cause the Reply to be disqualified.

Vendor Cost Submissions and Attachment B: Cost Submission and Certification, including but not limited to Optional Offerings, will not be scored, but will be a factor considered during negotiations. Offering unsolicited, optional commodities and services does not guarantee a positive consideration in the award of an Agreement. Such offerings will be considered and negotiated at the Lottery's sole discretion.

The Lottery reserves the right to include Vendor Optional Offerings in the Agreement resulting from this Solicitation at the time of Agreement execution or to add or remove Vendor Optional Offerings to the resulting Agreement at a later date by way of an Amendment. The Lottery reserves the right to include none, some or all of the Vendor Optional Offerings in a resulting Agreement.

### 3.7. COPIES OF REPLIES

For Reply submission purposes the following Volumes (paper and electronic copies) should be compiled and submitted collectively (Refer to section 3.8: Packaging and Labeling) as the Vendor's "**Administrative and Technical Reply**":

- A: Volume One: Administrative Qualification Documents; and
- B: Volume Two: Vendor Scope of Work Response and Solution

Refer to section 3.2.2: Confidential Reply Materials for information on redacting confidential information, if applicable.

The "Original" paper copy will be considered the authority if there are any differences between the paper and electronic copies. All forms required by this Solicitation must have an original signature.

#### 3.7.1. Administrative and Technical Reply

##### a) Volume One: Administrative Qualification Documents

Vendors should furnish two **original** paper copies of Volume One: Administrative Qualification Documents clearly marked as "Original."

In addition, each paper copy should contain an electronic version of Volume One: Administrative Qualification Documents on a CD/DVD or flash drive, in a single .pdf file format.

b) Volume Two: Vendor Scope of Work Response and Solution

Vendors should furnish one original, clearly marked as “Original”; nine (9) paper copies, clearly marked as Copy ## of 9; and an electronic version for each paper copy on a CD/DVD or flash drive in a single .pdf file format of Volume Two: Vendor Scope of Work Response and Solution.

3.7.2. **Volume Three: Cost Submission**

Vendors should furnish two *original* paper copies of Volume Three: Cost Submission clearly marked as “Original.”

In addition, each paper copy should contain an electronic version of Volume Three: Cost Submission on a CD/DVD or flash drive, in a single .pdf file format.

**3.8. PACKAGING AND LABELING**

3.8.1. **Administrative and Technical Reply**

Each Vendor’s **Administrative and Technical Reply** materials must be submitted in sealed container(s) and the exterior of each container should display the following information:

- Project #: 032-18/19
- Invitation to Negotiate for Banking Services and Related Commodities and Services
- (Identify) Vendor's Name
- (Identify) Vendor’s Return Address
- **ADMINISTRATIVE and TECHNICAL REPLY**
- Container ## of ## (Example: Container 1 of 2)

3.8.2. **Cost Submission**

It is **mandatory** that each Vendor’s Volume Three: Cost Submission, including paper and electronic copies, is submitted in a separate sealed container. The exterior should clearly identify the following information:

- Project #: 032-18/19
- Invitation to Negotiate for Banking Services and Related Commodities and Services
- (Identify) Vendor's Name
- **Volume Three: COST SUBMISSION**

**END OF SECTION**

**PART 4: SPECIAL TERMS AND CONDITIONS**

**4.1. INTRODUCTION**



The general terms and conditions applicable to Lottery solicitations and the prospective agreement are set forth in the Lottery's [Mandatory Requirements of Agreement \(MRA\)](#), located in Attachment C: Procurement Library. Part 4: Special Terms and Conditions to this ITN contains the Special Terms and Conditions that are also applicable to this Solicitation and the perspective Agreement. By submission of a Reply, Vendor agrees to the terms and conditions contained herein and in the MRA.

#### **4.2. TERM OF AGREEMENT**

The "initial term" of the Agreement resulting from this Solicitation will be from the date of execution, or a mutually agreed upon date, for a period of three (3) years and may be renewed for three (3) one (1) year periods or one (1) three (3) year period, unless terminated earlier by the Lottery under the terms provided herein. The term, and any renewal terms, may be negotiated during the course of this ITN.

#### **4.3. ORDER OF PRECEDENCE**

The Agreement(s) resulting from this Solicitation will consist of the following documents, if an Agreement ensues. In the event any of these documents conflict, the conflict will be resolved in the following order of priority (highest to lowest):

1. The Agreement(s) between the successful Vendor and the Lottery including, any negotiated terms and conditions pursuant to ITN section 2.29 (as applicable).
2. Any addenda, including questions and answers, issued by the Lottery to ITN #032-18/19 (this Solicitation).
3. ITN #032-18/19 (this Solicitation), including:
  - a. Attachment A: Lottery Data Volume
  - b. Attachment B: Cost Submission & Certification
  - c. Attachment C: Procurement Library and Standard Forms
    - Mandatory Requirements of Agreement
    - Advertising Guidelines
    - Respect of Florida Agreement Terms
    - Vendor Diversity Agreement Terms
    - Florida Lottery Overview
    - Disclosure Affidavit
    - Conflict of Interest and Disclosure From
    - RESPECT of Florida Certification of Consultation
    - Supplemental Application
    - Vendor Personal Profile Form
    - Personal Injury Waiver
    - Certification of a Drug Free Workplace
  - d. Other solicitation documents issued by the Lottery related to this Solicitation.

4. The Contractor's Final Revised offer, including final Cost offer, pursuant to ITN section 2.29, as applicable.
  - a. Reply Qualification and Cure Process and/or Reply Clarifications, if applicable
  - b. Cost Submission

#### **4.4. RENEWAL, EXTENSION, AND/OR EMERGENCY PROCUREMENT**

The Lottery reserves the right, at its sole option, to renew the Agreement resulting from this Solicitation for a period not to exceed eight years. Agreement Renewal(s) will be contingent upon the availability of funds, and the Contractor's satisfactory performance as determined by the Lottery. Agreement Renewal(s) may be for the complete term (e.g., one renewal for eight years), may be divided into increments (e.g., eight one-year renewals), or may be a combination thereof (e.g., one five-year renewal followed by one three-year renewal).

The Lottery reserves the right to negotiate for additional commodities or services and lower pricing at any time during the initial term of the Agreement or any renewals, extensions, or emergency procurement(s). The Contractor's prices for renewal terms must not exceed the negotiated prices for the initial term of the Agreement, except to the extent that additional commodities or services are added to the Agreement.

Any renewal, extension, or emergency procurement of the resulting Agreement must be in writing, and executed prior to expiration of the current term of the Agreement, or extension thereof as applicable.

#### **4.5. TRANSFER OF AGREEMENT COMMODITIES AND/OR SERVICES**

If, at any time, upon cancellation, termination, or expiration of the Agreement or for any other reason deemed appropriate by the Lottery, a different party is chosen for a subsequent agreement, the current Contractor has the affirmative obligation to assist in a smooth transition, in conformance with the Lottery's schedule in order to transfer Agreement services to the subsequent party. The Contractor must maintain readiness and must provide all commodities and/or services for a period, to be specified by the Lottery, after termination, expiration, or completion of the initial Agreement period or any extension thereof, with no price escalation. Implementation of this provision will not be construed as a cancellation or termination of the Agreement with the subsequent Contractor.

#### **4.6. FUNDING SOURCES**

Payment may be made by a non-governmental third-party company on behalf of the Florida Lottery. The Contractor will be required to submit all requested vendor information forms and a substitute W-9 to the third-party company prior to issuance of an order. Payments made by a third-party company are subject to state and federal tax requirements. Invoices must be submitted in accordance with subsection 1 of the "Invoices and Payment to Contractor" section of the Lottery's [Mandatory Requirements of Agreement](#), and sections 4.7 and 4.8.

#### **4.7. COMPENSATION**

The Contractor will be compensated monthly in arrears, based on actual banking activity volumes at the rate established in a resulting Agreement. Attachment A: Lottery Data Volume contains estimated volumes of the Lottery's current banking activities. The Lottery will issue a state warrant or EFT transaction for services provided under the resulting Agreement. The Contractor will provide an account analysis to the Lottery no later than the 10<sup>th</sup> of the month following the billing period.

No fees will be paid by the Lottery for FDIC insurance.

No fees will be paid by the Lottery for overdrafts caused by errors made by the Contractor and the Lottery will earn interest on the amount that should have been in the account and credited against the analysis statement.

If the Contractor is "passing on" fees originated by the Federal Reserve or some other organization beyond the control of the Contractor for which there is an increase, the Contractor may request an increase in the fee or charge and support the request with proper documentation. Any such increase in the service charge rate will be at the sole discretion and authorization of the Lottery and will be reviewed annually on the anniversary date of the Agreement.

The Lottery will not be billed for any book transfers and/or "in-house" ACH or wire transactions between Lottery accounts.

#### **4.8. SUBCONTRACTOR AGREEMENTS**

All Subcontractors must give the Contractor a written agreement that the Subcontractor holds the Contractor solely liable for all payments owed to them, and that the Lottery and the state of Florida are not liable for payment of any obligation which the Contractor may owe such Subcontractor. Additionally, the Contractor must provide the Lottery with copies of all applicable Subcontractor Agreements, as requested by the Lottery.

##### **4.8.1. Receipt and Payment of Subcontractor Invoices**

Invoices are deemed to be received when an accurate and properly-documented invoice is received with any/all discrepancies reconciled and verified for payment. In the event of a discrepancy in an invoice, the Contractor must reconcile the discrepancy within fifteen calendar days after receipt of discrepancy notification.

The Contractor must pay all Subcontractor invoices within twenty calendar days after receipt. A Subcontractor's invoice will be deemed paid when the payment is postmarked. When applicable, the Contractor must provide evidence showing that amounts claimed for reimbursement have in fact been paid to the Contractor's Subcontractor(s).

In the event of a bona fide dispute as to approval of the goods or services or as to the appropriateness of an invoice, the Contractor must resolve the dispute and pay the appropriate amount, if any, within the thirty calendar days. Invoices for Subcontractors will be deemed paid when the payment is postmarked.

The Contractor must promptly notify the Lottery in writing of any deviation from the schedules provided in this section and the reason(s) for such deviation. Adjustments by the Contractor for purchases from Subcontractors will be made on a monthly basis.

## 4.9. ACCOUNT STRUCTURE

The Contractor will provide a mechanism/system to account for the Lottery Headquarters and each district office located in an area in which the Contractor has a branch office.

### 4.9.1. Master Concentration Account

This account receives the cash balances due from the Lottery's Retailers. Transfers from this account are made to cover prize disbursements in the zero balance/controlled disbursement prize payment account and disbursements to retailers in the zero balance/controlled disbursement retailer payment account.

This account maintains a minimum balance to cover failed items. Excess balances may be wire transferred daily to the State Treasury at the option of the Lottery. **The entire amount of all checks deposited to this account is credited on the day of deposit. No float is allowed.**

#### 4.9.1.1 Account Requirements

The Contractor must:

- a) Pre-note the retailer accounts prior to the initiation of the ACH process, if requested by the Lottery. The Contractor must notify the Lottery within five business days should any such pre-note information be rejected.
- b) Provide daylight overdraft protection of at least \$75 million in the event expected wire transfers are not received timely.

#### 4.9.1.2 Retailer ACH Sweep File

The Lottery currently processes a weekly ACH file to sweep contracted Lottery Retailer accounts and bring in the money due from the Retailers for the previous week's ticket sales. The Contractor must automatically complete a standardized ACH re-sweep of all Retailer accounts that do not have sufficient funds available for the initial sweep. The Lottery reserves the right to initiate this ACH sweep file on a more frequent schedule up to and including daily. Process the Lottery's ACH sweep file in a standardized format, agreed to by the Lottery, to collect amounts owed for deposit into the account, on a schedule provided by the Lottery, and provide the Lottery immediate credit for and use of such funds.

Currently, processing requirements for this file are as follows:

Weekly Lottery ACH file transmittals covering retailer activity through the previous day (Day 1) will be available to the Contractor by approximately 10:00 AM ET (Day 2). The ACH file will be data transmitted to the Contractor's operating center so that it may be presented to the Federal Reserve Bank of Atlanta prior to 10:00 AM ET for processing that day (Day 2), allowing sufficient time for re-transmission when necessary. **Verification of the file totals between the Contractor and the Lottery must be completed prior to transmission of the ACH file to the Federal Reserve System.** Good

funds are to be available to the Lottery before 10:00 AM ET two days later (Day 4, which is referred to as the “Effective Date”).

Return to the Lottery all failed ACH items within 5 business days from the effective date of the ACH. Failed items returned to the Contractor from other financial institutions after 5 business days will not be charged against the Lottery’s account. Additionally, a data file, in a format specified or agreed to by the Lottery, containing complete details of all failed items presented for the current banking day must be electronically transmitted daily to the Lottery by 10:00 AM ET. A second data file of all failed items for the previous banking day must be electronically transmitted daily to the Lottery by 1:00 AM ET. This second data file must correspond to the failed items on the daily bank statement for the same banking day. Any failed items may be debited against the account within five (5) business days. Failed items returned to the Contractor after five (5) business days may not be debited against the account.

Example: Currently, the Lottery’s accounting week ends at 11:59 PM ET on Sunday. The EFT file for the week ending Sunday is available to the Contractor by approximately 10:00 AM ET Monday morning. The effective date for this file is Wednesday morning.

#### 4.9.2. **Two Controlled Disbursement (Zero-Balance) Accounts**

##### 4.9.2.1 **Retailer Payment Account (Controlled Disbursement / Zero-Balance)**

This account is utilized for payment from/to Lottery Retailers for refunds, overpayments, promotional bonuses and adjustments. At the end of each banking day, the total amount debited/credited is transferred from/to the concentration accounts bringing the account to zero. This account is also a controlled disbursement account and the amount of check presentments charged against the concentration account must be available by 10:00 AM ET each morning. Presentments not included in the total provided to the Lottery by 10:00 AM ET are held until the next business day and included in the presentment totals provided on the Contractor system.

##### 4.9.2.2 **Prize Payment Account (Controlled Disbursement / Zero-Balance)**

This account is for the purpose of paying prize winners. This account is controlled from the Lottery Headquarters. Each of the Lottery’s nine (9) district offices also writes checks to prize winners from this account. The district offices’ check writing activity is identified through the first two digits of their check numbers. The Lottery headquarters office issue checks up to \$2,000,000. The nine district offices issue prize checks up to \$1,000,000. The majority of checks written on this account are prepared through the Lottery’s automated prize payment system.

At the end of each banking day, the total amount debited/credited is transferred from/to the concentration account bringing the account balance to zero. This account is also a controlled disbursement account and the amount of check presentments to be charged against the concentration account is available by 10:00 AM ET each morning.

Presentments not included in the total provided to the Lottery by 10:00 AM ET are held until the next business day and included in the presentment total provided on the Contractor system.

**4.9.2.3 Controlled Disbursement (Zero-Balance) Account Requirements**

For both Controlled Disbursement (Zero-Balance) accounts identified in sections 4.9.2.1 and 4.9.2.2 the Contractor must:

- a) Ensure at the close of business, each banking day that all checks written are paid or wire transfers initiated by the Lottery are cleared and then transfer any remaining balance to an interest-bearing account. The Contractor will provide the Lottery the total amount of presentments clearing for the current day before 10:00 AM ET.
- b) Furnish daily electronic bank statements to the Lottery reflecting all activity through 2:00 PM ET of each banking day. Statements will include checks sorted by number and all other supporting documentation. The Contractor will provide automated reconciliation services to include file transmissions, in a format specified or agreed to by the Lottery, either on a weekly or monthly basis as determined by the Lottery.

**4.9.2.4 Controlled Disbursement (Zero-Balance) Account Operations**

For both Controlled Disbursement (Zero-Balance) accounts identified in sections 4.9.2.1 and 4.9.2.2 the Contractor must:

- a) Debits to the accounts will include checks paid and outgoing wire transfers and ACH items.
- b) Credits to the accounts will include checks deposited and incoming wire transfers and ACH items.
- c) The Contractor will provide access to the Contractor's system for the Lottery to originate and monitor electronic transfers to the grand prize winners' bank accounts. Additionally, the Lottery's annuity winners have payments due on one of four maturity dates: February 15, May 15, August 15, and November 15. The Lottery will transmit a file of the wires or ACH's to be processed for the quarter to the Contractor. The Lottery will assign each of these wires or ACH's a unique number for tracking purposes to be included on the automated reconciliation provided for this account.

Due to the critical nature of the annuity payments, the Contractor in conjunction with the Lottery will develop contingency procedures as part of the Contractor Business Recovery Plan identified in section 4.25 to be used in the event problems are encountered with the file transmission. Procedures will be updated as requested by the Lottery.

#### 4.9.3. **Change/Redemption Accounts (Checking Account)**

These ten (10) accounts allow the Lottery's district offices to function independently on a daily basis. An individual account is maintained for the Lottery Headquarters (located in Tallahassee) and for each of the nine (9) district offices in order to provide a means of obtaining cash as needed and making timely deposits. The entire amount of all checks deposited to any of these accounts is credited on the day of deposit. No float is allowed. Lottery [District Office Locations](#) function as Lottery Retailers.

#### 4.10. **BRANCH OFFICES**

The Lottery reserves the right to increase, decrease, or relocate its [District Office Locations](#) during the term of the Agreement resulting from this Solicitation. In the event the Lottery elects to move or add another District Office, the Vendor will be required to service this office, although service may come from another branch office location than originally described in Vendor's Reply. The Contractor must maintain the ability to service all Florida Lottery [District Office Locations](#), including, but not limited to, Lottery players having the ability to cash prize checks, throughout the Agreement term and any extensions.

#### 4.11. **ACCOUNT REQUIREMENTS**

The Contractor must:

1. Make all account information available to the Lottery by 10:00 AM ET each business day.
2. Collateralize the accounts in accordance with Chapter 280, Florida Statutes.
3. Provide an account analysis on a monthly basis detailing account balance and transaction activity by volume information. The account analysis must provide sufficient detail for the Lottery to analyze and audit for all contract compliance issues. The analysis statements are to be rendered electronically to the Lottery no later than the 10<sup>th</sup> of each month following the month being analyzed.
4. Ensure balances left on deposit in the concentration account and change/redemption accounts earn analysis credit at an interest rate that is the average of the thirteen-week Treasury bill coupon equivalent rates reported in the four weekly auctions immediately preceding the calculation. This analysis credit will serve to reduce banking fees. If analysis credits exceed banking fees for a period, the net analysis credit will be rolled into the next month's fee calculation.
5. Provide the capability to send and receive data files electronically using encryption with backup capability.
6. Maintain a computer operations unit that is available 24 hours a day, Monday through Friday for receiving and transmitting EFT files.
7. Coordinate the scheduling for all file transmissions between the Lottery and the Contractor.

8. Provide or receive test data for any new financial systems developed or modifications to existing systems either by the Lottery or the Contractor that interface with data files that are transferred to or from the Lottery in order to effectively test system changes prior to implementation.
9. Develop contingency plans for timely file transfer from the Lottery's Orlando Data Center in cases where the Tallahassee Data Center is unable to complete the transfer. The Lottery's primary data center is in Tallahassee with a backup data center in Orlando.
10. Provide unlimited deposit slips during the contract.
11. Provide manual check stock as needed for Lottery accounts. The Contractor will be responsible for providing the initial check orders for manual checks needed for all Lottery accounts free of charge. Initial check orders must provide a minimum of 100 checks for all separate Lottery accounts except for the prize payment account. The prize payment account requires a minimum of 300 checks.
12. Provide a backup plan that would allow the Bank to write checks for the Lottery in the case of an emergency (i.e., systems failure, force majeure, etc.)
13. Accommodate any requirements for Internal Revenue Service (IRS) TaxLink, the system developed by the IRS for the electronic deposit of federal withholding taxes. Currently the IRS requires all tax wires to be received no later than 5:00 PM ET. Any wires received after 5:00 PM ET are returned to the sender and penalties are assessed. The Contractor will be required to research any IRS wire transfers ordered by the Lottery by 4:30 PM ET but not received by the IRS prior to 5:00 PM ET. The Contractor will be responsible for payment of any penalties assessed against the Lottery due to failure by the Contractor to complete the wire transfer within the required time. These wires must be set up as repetitive wires so that the basic information does not have to be re-keyed everyday by the Lottery.

#### **4.12. ON-LINE BANKING REQUIREMENTS**

The Contractor must:

- a) Provide access to the Contractor's banking system for the purposes of conducting banking transactions and reporting to the Lottery the daily account balances and/or other cash management data. This other data will include opening balances, detailed debits and credits on a daily basis, same day federal and local presentments, detailed previous day's statement of account activity, ACH transactions received, ACH returns report, etc. The Lottery performs daily cash management analysis and is required to meet deadlines established by the State Treasurer's office. All cash management information must be provided to the Lottery by 10:00 AM ET each morning. The Contractor must notify the Lottery of any systems problems they are experiencing that will prevent them from meeting the 10:00 AM ET deadline. An estimated time of availability must be provided. No overdraft charges will be assessed against the Lottery for problems beyond its control.



- b) Provide on-line access to the Contractor's system for the Lottery to originate and monitor outgoing wire transfers and verify receipt of incoming wire transfers.
- c) Require dual controls for all repetitive and non-repetitive wire transfers ordered by the Lottery.
- d) Provide on-line access to the Contractor's system for the Lottery to determine the status and place automated stop payments on individual checks issued.
- e) Provide electronic records of all paid checks in CD-ROM format.

#### **4.13. WIRES**

The Contractor must have international wire transfer and foreign draft capabilities.

#### **4.14. POSITIVE PAY**

The Contractor must provide positive pay services to the Lottery. Positive Pay will involve sending a file at predetermined times each day of checks written. The Lottery will send Positive Pay files to the Contractor every fifteen minutes. The Contractor must notify the Lottery of PNI checks within twenty-four hours. The Contractor must verify cashed checks against the issued file at the bank's teller. The Contractor must print and issue checks on demand; and be available for presentments on the same day.

Manual issues or deletes will be communicated to the Contractor via telephone or online initiation. The Lottery will send Positive Pay files to the Contractor electronically and the Contractor is required to verify checks against the Lottery files before cashing. This process must incorporate a procedure to handle checks written and cashed on the same day.

#### **4.15. DEPOSITORY SERVICES PROCESSING**

The Lottery requires 100% availability on checks deposited. Cash, wire transfers, and ACH receipts to include the Lottery's weekly sweep file will receive same day credit. No holds will be placed on deposits in any of the accounts described in "Account Structure". The Lottery also requires automatic re-sweeps of all Retailer accounts with insufficient funds on the first sweep attempt.

The Contractor must provide deposit bags to each Lottery location, as needed/requested, at no additional cost to the Lottery. The Contractor must provide remote check deposit service, where the Lottery scans checks received and submits images only to the Contractor for processing. The Contractor must provide deposit tickets in 3-part forms and deposit tickets must contain an auxiliary MICR field for the Lottery locations and/or transaction information. The Contractor must accept loose and/or rolled coin for deposit at each branch location at no additional cost to the Lottery.

#### **4.16. QUOTING PROCESS**

Nothing in this Solicitation or the resulting Agreement will preclude the Lottery from performing and obtaining for itself, or from purchasing commodities and/or services as described in this Solicitation from other vendors.

#### **4.17. UNKNOWN, UNANTICIPATED, UNSPECIFIED TASKS**

During the course of the Agreement resulting from this Solicitation, the Lottery may obtain additional commodities and/or services within the general scope of the initial Solicitation and/or Agreement. Additionally, the Lottery may execute service level agreements for related commodities and/or services.

During the term of the resulting Agreement, including any renewals, extensions, and/or emergency procurements the Lottery reserves the right to negotiate with the Contractor for the provision of additional commodities and/or services on an as needed basis within the general scope of the Solicitation/Agreement.

Additional commodities/services may be priced based upon time and materials, consultant rates, cost of deliverables, combination of one or more of the above, or another pricing model not identified above. After the Lottery and the Contractor have successfully negotiated cost, schedule, deliverables, and other applicable terms, the Contractor will provide a written Scope of Work to the Lottery. The Contractor must provide the Lottery with the total cost as well as a detailed, itemized statement of costs showing how costs are incurred and will be billed. The Lottery reserves the right to utilize other pricing sources available to ensure that it is receiving competitive market rates for additional commodities/services.

#### **4.18. STATE OF FLORIDA QUALIFIED PUBLIC DEPOSITORY**

During the term of the resulting Agreement, including renewals, extensions, and/or emergency procurements the Contractor must remain a Qualified Public Depository and will maintain a clearing account at a branch of the Federal Reserve Bank of America. The Contractor must have total assets of not less than \$100 million as of June 30, 2018 and must belong to a bank holding company with assets of at least \$1 billion as of June 30, 2018. The Contractor and its bank holding company must continuously maintain these assets for the term of the Agreement.

#### **4.19. CONTRACTOR RESPONSIBILITY**

The Contractor will be the Lottery's sole point of contact with regard to contractual matters. The Contractor will assume sole responsibility for providing the services and/or commodities required by the Agreement, whether or not the Contractor is the direct supplier of said service, commodity, or any component thereof. Upon execution of the Agreement, the Contractor's Account Manager will be the Lottery's sole point of contact for all matters pertaining to the Agreement.

##### **4.19.1. Quality of Work and Services**

Notwithstanding "prior approval" requirements that may be reserved to the Lottery under the Agreement, the Contractor retains the ultimate responsibility to ensure and guarantee the quality of work and services to be provided under the Agreement. The Contractor is fully and solely

responsible for performing and completing the services specified herein to the satisfaction of the Lottery.

4.19.2. **Personnel**

If, during the course of the Agreement, the Lottery reasonably determines that certain Contractor personnel are unable or fail to perform their duties in a competent and professional manner, the Lottery will notify the Contractor in writing of its determination. The Contractor will remove said personnel from the Lottery account and will assign replacement personnel acceptable to the Lottery.

4.19.3. **Subcontracting**

The Lottery reserves the right to require the Contractor to obtain prior written approval from the Lottery before entering into written subcontracts for performance of work under the Agreement resulting from this Solicitation. All Substantial Subcontractors are subject to the prior written approval of the Lottery and will be subject to investigations required by Section 24.111 Florida Statutes. The Lottery must have the continuing right throughout the term of the Agreement to disapprove of Subcontractors if such disapproval would be in the best interests of the Lottery and/or is required by law. The Lottery will have the right to inspect and acquire any of the Subcontractor documents executed between the Contractor and the Subcontractor. No subcontract that the Contractor enters into with respect to performance under the Agreement will in any way relieve the Contractor of any responsibility for performance under the Agreement.

**4.20. OWNERSHIP OF MATERIALS**

The Lottery will own all data, documentary material, copy, creative material, video, audio, operating reports and Production originated and prepared exclusively for the Lottery pursuant to any contract or delivered in any manner under this Agreement, unless otherwise agreed to in writing by the Lottery.

4.20.1. **Patents, Copyrights & Trademarks**

Any and all patents, copyrights or trademarks accruing under or in connection with the performance under the Agreement are hereby exclusively reserved to the Lottery.

4.20.2. **Title to, Use of, and Compensation for, Intellectual Property**

Intellectual Property Rights are any rights with respect to inventions, discoveries, or improvements, including patents, patent applications and certificates of invention; trade secrets, know-how, or similar rights; the protection of works of authorship or expression, including copyrights and future copyrights; and trademarks, service marks, logos, and trade dress; and similar rights under any laws or international conventions throughout the world, including the right to apply for registrations, certificates, or renewals with respect thereto, and the rights to prosecute, enforce and obtain damages.

To the extent that the Contractor utilizes or relies upon the Intellectual Property Rights of a Subcontractor or other third-party in fulfilling its obligations under the Agreement, the Contractor

will notify the Lottery of such use as early as possible and provide the Lottery with whatever assurance the Lottery requires to ensure that the use of such Intellectual Property Rights is permissible.

The Lottery and the Contractor agree that any pre-existing Intellectual Property Rights which the Contractor owned prior to entering into the Agreement will remain the property of the Contractor, even though they are used in association with any product or service provided by the Contractor during the term of the Agreement.

The Contractor will grant a license to the Lottery to use any such Intellectual Property as required under the circumstances. Subcontractor or other third-party proprietary software and related documentation must be sublicensed to the Lottery. There will be no charge to the Lottery for any user license required under this Agreement.

The cost of Intellectual Property fees for Subcontractor or other third-party products, logos, trademarks, brands, or labels not related to any specific game under the Agreement and that the Contractor utilizes, must be included in the Contractor's annual vendor fee (commission) percentage to the Lottery. In addition, the Contractor may not separately charge the Lottery an Intellectual Property fee for any items owned by the Contractor.

#### 4.20.3. **Clearances, Releases, Waivers, Contracts and Licenses**

During the preparation of advertising materials and prior to execution, printing and/or publication of any kind of advertising materials, and at its own expense, the Contractor is solely responsible for securing any necessary searches, rights, clearances, releases, waivers, contracts and/or licenses with respect to any and all elements used in the materials, including but not limited to Subcontractor and other third-party intellectual property, names, likenesses, testimonials, scripts, musical compositions, creative and/or similar materials, elements, or rights embodied or to be embodied in materials developed, provided, used, or prepared by the Contractor under the Agreement. The Contractor is solely responsible at its own expense for obtaining trademark, trade name, service mark, house mark, copyright, slogan and /or logo (collectively referred as "mark") searches on materials which are to be used as an element in a campaign theme, slogan, logo, or other advertising or promotional purpose by the Lottery. These responsibilities continue throughout the Agreement term and any extensions. The Contractor must provide the Lottery with a written assessment of all searches upon request. The Contractor must also deliver to the Lottery, immediately upon request, written documentation evidencing (a) the Contractor's exclusive ownership rights, or (b) its licensed rights as set forth above.

### 4.21. ADVERTISING

#### 4.21.1. **Commercial Advertising**

The Contractor will not use its relationship with the Lottery, the Agreement, or the results of the Agreement as a part of any commercial advertising without prior written consent of the Lottery. All advertising must be approved by the Lottery prior to release.

#### 4.21.2. **Lottery Name and Logo**

The Contractor may not use the name of the Lottery or any logo or other promotional materials identifying the Lottery without the prior written permission of the Lottery, which may not be withheld within the Lottery's sole discretion. All advertising must be approved by the Lottery prior to release.

#### 4.21.3. **News Releases**

Only the Lottery is authorized to issue news releases relating to the Agreement and performance there under. The Contractor may request authorization to issue news releases from the Lottery Secretary or designee, which the Lottery has discretion to grant or deny.

#### 4.21.4. **Nondisclosure of Lottery's Plans**

The Contractor must use its best efforts to ensure that the details of the games planned by the Lottery are not disclosed to persons or organizations other than the personnel, agents, or Subcontractors of the Contractor whose assistance in the production of the game is necessary, until the Lottery announces same.

### 4.22. **MYFLORIDAMARKETPLACE**

**Contractor Registration** - Each Contractor doing business with the State for the sale of commodities or contractual services as defined in section 287.012, Florida Statutes, must register in the MyFloridaMarketPlace system, unless exempted under subsection 60A-1.030(3), Florida Administrative Code. Information about the registration process is available, and registration may be completed, at the MyFloridaMarketPlace website (link under Business on the State portal at [www.myflorida.com](http://www.myflorida.com)). Interested persons lacking Internet access may request assistance from the MyFloridaMarketPlace Customer Service at (866) FLA-EPRO (866-352-3776) or from State Purchasing, 4050 Esplanade Drive, Suite 300, Tallahassee, Florida, 32399.

**Transaction Fee** – The State of Florida, through the Department of Management Services, has instituted MyFloridaMarketPlace, a statewide eProcurement system. Pursuant to Section 287.057(23), Florida Statute, all payments will be assessed a Transaction Fee of one percent, which the Contractor will pay to the State.

For payments within the State accounting system (FLAIR or its successor), the Transaction Fee will, when possible, be automatically deducted from payments to the Contractor.

If automatic deduction is not possible, the Contractor will pay the Transaction Fee pursuant to subsection 60A-1.031(2), Florida Administrative Code. By submission of these reports and corresponding payments, the Contractor certifies their correctness. All such reports and payments will be subject to audit by the State or its designee.

The Contractor will receive a credit for any Transaction Fee paid by the Contractor for the purchase of any item(s) if such item(s) are returned to the Contractor through no fault, act, or omission of the Contractor. Notwithstanding the foregoing, a Transaction Fee is non-refundable when an item is rejected or returned, or declined, due to the Contractor's failure to perform or comply with specifications or requirements of the Agreement.

Failure to comply with these requirements will constitute grounds for declaring the Contractor in default and recovering re-procurement costs from the Contractor in addition to all outstanding fees. CONTRACTORS DELIQUENT IN PAYING TRANSACTION FEES MAY BE EXCLUDED FROM CONDUCTING FUTURE BUSINESS WITH THE STATE.

#### **4.23. INSURANCE**

During the term of the Agreement and any extensions, the Contractor at its sole expense will provide commercial insurance of such a type and with such terms and limits as may be reasonably associated with the Agreement. Providing and maintain adequate insurance coverage is a material obligation of the Contractor. Time limits of coverage under each policy maintained by the Contractor will not be interpreted as limiting the Contractor's liability and obligations under the Agreement.

The Contractor must acquire and maintain insurance coverage as set forth herein. The Contractor may not perform services or incur expenses until certificates of insurance for the required policies are received by the Lottery. The required policies must remain in force throughout the term of the Agreement and any extensions, and copies of the policies must be provided to the Lottery.

The Contractor must name the State of Florida, Department of the Lottery as an additional insured on each of the foregoing policies (excluding workers' compensation insurance). By requiring such coverage, the Florida Lottery will not be deemed to have waived any immunity from liability that it may otherwise have.

The Contractor must provide the Lottery a copy of its Certification of Insurance within ten calendar days of execution of the Agreement. In addition, all certificates of insurance for renewals must be forwarded to the Lottery within ten calendar days prior to the policy expiration. Insurance policies must be executed by a company authorized to do business in the State of Florida. Each policy will contain a provision requiring the carrier to provide written notice to the insured at least forty-five (45) days prior to cancellation of the policy, except that in the case of cancellation for nonpayment of premiums or for fraud the notice will be given no fewer than ten days prior to cancellation. If the Contractor's carrier cancels any policy, the Contractor must immediately obtain a replacement policy prior to expiration of the notice period. Failure to provide and maintain any insurance or security may result in termination of the Agreement.

#### **4.24. SCRUTINIZED COMPANIES**

Section 287.135, Florida Statutes, prohibits agencies from contracting with companies for goods or services of \$1,000,000 or more, which is on either the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or are engaged in business operations in Cuba or Syria. Both lists are created pursuant to section 215.473, Florida Statutes.

The Contractor represents and warrants that it will promptly notify the Lottery if it is placed on the scrutinized companies list during the Agreement term.

#### **4.25. CONTRACTOR BUSINESS RECOVERY PLAN**

The Contractor must submit a detailed Business Recovery Plan to the Lottery for approval no later than sixty (60) days after execution of an Agreement. The Business Recovery Plan must be updated annually or upon request of the Lottery. The Business Recovery Plan must include, at a minimum, a logistical plan describing how the Contractor will recover and restore partially or completely interrupted critical (urgent) functions after a disaster or extended disruption.

The Business Recovery Plan is a required deliverable for purposes of the applicable monthly invoice when the plan is due. The commodities and services covered by the invoice will not be considered to have been satisfactorily performed and will not be approved by the Lottery until the plan has been submitted and approved. Failure to timely submit an acceptable plan could result in a delay in payment of the invoiced amount. Costs associated with the development of a Business Recovery Plan are the sole responsibility of the Contractor.

#### **4.26. VENDOR DIVERSITY INITIATIVES**

The State of Florida is committed to supporting its diverse population by providing increased opportunity and diversity in State contracting processes. At a minimum the Contractor will commit to implementing business operations that give consideration to minority, veteran, and women-owned business enterprises in all subcontracting opportunities as well as routine acquisitions, supporting day-to-day operations in fulfilling the [Vendor Diversity Agreement Terms](#) required by the resulting Agreement. The Contractor will also provide monthly and/or quarterly reports of expenditures and projected expenditures with minority, veteran, and women-owned businesses.

#### **4.27. BACKGROUND INVESTIGATIONS**

The ability to conduct background investigations is a continuing right of the Lottery throughout the term of the Agreement.

If any organizational changes or changes of key personnel occur during the term of the Agreement, the Contractor and its Substantial Subcontractors, if any, will be required to submit [Vendor Personal Profile Forms](#) for a background investigation of new owners, officers, directors, shareholders, general partners or members joining the firm or the parent company, if any.

Organizational charts and resumes are required any time a change affecting the structure shown on the Contractor's organizational chart is made. Personnel represented as integral to the performance of the required services in response to this Solicitation may be changed only with the Lottery's prior written permission and only if such personnel remain employed by the Contractor. Any replacement personnel must possess at least equivalent skills and experience as the personnel being replaced. The Florida Lottery reserves the right to interview such replacement personnel if it deems it necessary. When reviewing proposed personnel changes, the Lottery will consider the successor's experience and credentials.

If the Contractor or a Substantial Subcontractor is a subsidiary of a parent entity and the parent entity changes or undergoes organizational changes during the term of the Agreement, or any renewals thereof, the Lottery

may request Vendor Personal Profile Forms, fingerprint cards and a Disclosure Affidavit, as appropriate to the changes, for the purpose of conducting background investigations.

The Contractor consents to cooperate with such investigations and to instruct its employees to cooperate. The Lottery may terminate the Agreement based upon any adverse results of background checks if the Lottery determines that its integrity, security, or goodwill may be in jeopardy.

#### **4.28. CHANGE IN FINANCIAL CONDITION**

If the Contractor experiences a material change in financial condition or experiences financial irregularities during the term of the Agreement with the Lottery, the Contract Manager must be notified in writing at the time the change occurs or is identified.

Material change is defined as any event which, following Generally Accepted Accounting Principles (GAAP), would require a disclosure in the annual report of a publicly traded United States corporation. Failure to notify the Lottery of such a change may result in termination of the Agreement.

#### **4.29. CONFIDENTIAL INFORMATION**

Any information relating to the products, customers, business, marketing plans and policies of the Lottery or its affiliates that is supplied to the Contractor by or at the direction of the Lottery or acquired by the Contractor in the course of providing services to the Lottery, or developed by the Contractor in carrying out the Contractor's duties under the Agreement, will be deemed to be confidential and proprietary information of the Lottery and the exclusive property of the Lottery.

Confidential Information does not include information that (a) is generally or becomes generally known to the public through no breach of the Agreement by the Contractor; (b) was already known to the Contractor prior to being disclosed under the Agreement; (c) was lawfully received by the Contractor from a third-party; (d) was independently developed by Contractor or (e) is required by any applicable law, regulation, or court order to be disclosed by the Contractor to any governmental, regulatory, or judicial body, in which event Contractor must provide the Lottery with advance written notice of the requirement or order to permit the Lottery to seek a protective order against such disclosure.

#### **4.30. RIGHT OF USE**

If, for any reason other than breach of Agreement by the Florida Lottery, Contractor should become unable to service the Agreement resulting from this Solicitation, the Florida Lottery will acquire a usufruct in all contractual items owned by the Contractor in conjunction with the Agreement and which are necessary to provide such services.

Such usufruct will be limited to the right of the Lottery to possess and make use of these items solely for the use and benefit of the Lottery in maintaining, altering and improving the operational characteristics of the programs and systems being used under the Agreement. Such usufruct will be limited in time for the duration of the Agreement and in scope to those items being used by the Lottery and on the Lottery's behalf under the



Agreement. All items, including modifications or alterations thereof, will be kept in confidence, except to the extent that they are public records under Florida law, and will be returned to the Contractor when their usufruct purposes have been fulfilled.

#### **4.31. FINANCIAL CONSEQUENCES FOR NON-PERFORMANCE**

The Lottery reserves the right to withhold payment or implement other appropriate remedies when the Contractor fails to perform and/or comply with provisions of the resulting Agreement. These consequences for non-performance are not considered penalties.

#### **4.32. INDEMNIFICATION**

The Contractor agrees to defend, indemnify, and hold the Lottery harmless from and against any loss resulting from any claim made or brought against it arising out of:

1. The Contractor's failure to obtain a required consent of any nature whatsoever;
2. The Contractor's contracts with third parties;
3. The Contractor's unauthorized use of name or likeness of any person, libel, slander, defamation, disparagement, piracy, plagiarism, unfair competition, idea misappropriation, infringement of copyrights or trademarks, slogan or other property rights and any invasion of the right of privacy;
4. Breach of the Contractor's obligations under the Agreement; or
5. The Contractor's negligence or willful misconduct.

This paragraph, insofar as it applies to work undertaken while the Agreement is in effect, will survive the termination of the Agreement.

#### **4.33. TERMINATION**

After receipt of a Notice of Termination, except as otherwise specified by the Lottery, the Contractor must:

1. Stop work under the Agreement on the date, and to the extent specified, in the notice;
2. Place no further orders or subcontract for materials, services, or facilities except as may be necessary for completion of such portion of the work under the Agreement that is not terminated;
3. Assign to the Lottery effective on the date of the Agreement termination, in the manner, at the time, and to the extent specified by the Lottery, all of the right, title, and interest of the Contractor under the orders and subcontracts so terminated, in which case the Lottery has the right, at its discretion, to settle or pay any or all claims arising out of the termination of such orders and subcontracts and to reduce any settlement amount determined by the amount paid for such orders or subcontracts;

4. Settle all outstanding liabilities and all claims arising out of such termination of orders and subcontracts, with the approval or ratification of the Lottery to the extent the Lottery may require. The Lottery's approval or ratification will be final for the purposes of this part;
5. Upon the effective date of termination of the Agreement and the payment by the Lottery of all items properly chargeable to the Lottery hereunder, the Contractor must transfer, assign, and make available to the Lottery all property and materials belonging to the Lottery and all right and claims to any and all reservations, contracts and arrangements regarding the Agreement. No extra compensation is to be paid to the Contractor for its services in connection with any such transfer or assignment.
6. Concurrently with such transfer or assignment, the Lottery will assume the obligations of the Contractor, if any, on all contracts with third parties which are not subject to cancellation;
7. Upon termination of the Agreement by the Lottery, the Contractor will be deemed to have released and relinquished to the Lottery any and all claims or rights it may otherwise have to common law or statutory copyright with respect to all or any part of unpublished material prepared or created by the Contractor in the course of its performance hereunder;
8. Complete performance of such part of the work as has not been terminated by the Lottery;
9. Take such action as may be necessary, or as the Lottery may specify, to protect and preserve any property related to the Agreement which is in the possession of the Contractor and in which the Lottery has or may acquire an interest; and
10. All proprietary materials and associated information are considered to be the property of the Lottery and will be returned to the Lottery upon termination of the Agreement.

#### 4.33.1. **Termination for Cause**

The Lottery reserves the right to immediately terminate the Agreement, in whole or part, by providing written notice to the Contractor if the Lottery determines, in its sole discretion that any of the following has occurred:

1. The Contractor knowingly furnished any statement, representation, warranty or certification in connection with this Solicitation or the Agreement, which representation is materially false, deceptive, incorrect, or incomplete;
2. The Contractor fails to perform to the Lottery's satisfaction any material requirement of the Agreement or defaults in performance of the Agreement;
3. The performance of the Agreement is substantially endangered by the action or inaction of the Contractor, or such occurrence can be reasonably anticipated;
4. The State enacts a law which removes or restricts the authority or ability of the Lottery to conduct the commodities or services identified in this Solicitation;
5. The Contractor's firm or assets are acquired by or combined with another company or concern during the Agreement period;

6. The Contractor or any Substantial Subcontractor fails to maintain standards of financial responsibility, background, bonds, insurance, character, reputation, or integrity as determined by the Florida Lottery;
7. The Contractor is placed on the convicted, suspended, or discriminatory vendor lists;
8. The Contractor is placed on the Scrutinized Companies that Boycott Israel List, the Scrutinized Companies with Activities in Sudan List, the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, or engaged in business operations in Cuba, Syria, or in a boycott of Israel.
9. The actions or inaction of the Contractor or Contractor's employees pose a threat to the security or integrity of the Lottery. In such an event, the Lottery may terminate the Agreement immediately by telephonic notification followed by written notice.

Should the Lottery give notice of termination for reasons in sub-paragraphs 2 or 3 above, the Contractor will have seven days after receipt of said notice to remedy the failures or problems. If the Contractor fails to remedy, the Lottery may order the Contractor to stop immediately all work and terminate the Agreement.

If the Agreement is terminated for cause by the Lottery, the Lottery will be obligated only for the goods actually delivered and accepted or services actually rendered prior to the date of notice of termination, less any liquidated damages or other damages that maybe assessed for non-performance.

#### 4.33.2. **Termination for Convenience**

The Lottery reserves the right to terminate the Agreement or any part of the Agreement at its convenience, with thirty (30) calendar days' written notice. The Lottery will incur no liability for materials or services not yet ordered if it terminates for convenience. If the Lottery terminates for convenience after an order for materials or services has been placed, the Contractor will be entitled to compensation and reimbursement to the extent provided in the Agreement upon submission of invoices and proper proof of claim, in that proportion which its services and products were satisfactorily rendered or provided, as well as for costs otherwise reimbursable under this Agreement which were necessarily incurred in the performance of work up to time of termination.

#### 4.33.3. **Termination by Mutual Agreement**

With the written mutual agreement of both parties, the Agreement or any part of the Agreement may be terminated on an agreed date prior to the end of the Agreement period without penalty to either party.

#### **4.34. COMPLIANCE WITH ASSOCIATION STANDARDS**

All services, products, systems, and procedures to be employed by the Contractor must comply with the requirements and the operational standards issued by any multi-jurisdictional association to which the Lottery belongs or become a member.

#### **4.35. ANNUAL FINANCIAL AUDITS**

Under the Agreement, the Contractor must meet specific auditing obligations:

1. The Contractor must provide the Lottery certified financial statements with an independent auditor's report, in accordance with US GAAP or IFRS, annually after the close of the Contractor's fiscal year.
2. The Contractor must provide the Lottery with Securities and Exchange Commission (SEC) 10-K and 10Q reports (or the appropriate non-U.S. equivalent) as they are issued, together with any other reports required pursuant to Section 13 of the Securities and Exchange Act of 1934, as amended, if applicable.

#### **4.36. QUALITY CONFORMANCE REVIEW**

The Contractor must commit to a business philosophy that includes continuous quality improvement as a goal. This will include participating with the Lottery in any business process improvement initiatives, including but not limited to meetings, conference calls, and other initiatives as required by the Lottery, in which the commodities or services provided by the Contractor would be affected. The Contractor must provide progress updates on any quality improvement action items assigned.

#### **4.37. CHANGES AND CORRECTIONS TO COMMODITIES AND SERVICES**

The Contractor must report any relevant deficiencies in services provided and is responsible for ensuring that corrections are incorporated in a timely and responsible manner, as reasonably stipulated by the Lottery, and at no additional cost to the Lottery.

The Contractor is not permitted to procure commodities or services on behalf of the Lottery for which any supplier announces an end to support. The Lottery may determine that changes and enhancements are needed to support its evolving mission and business requirements beyond those established by this Solicitation.

#### **4.38. CHANGE OF SCHEDULES**

The Lottery reserves the right, in its own best interest, to modify, reject, cancel or stop any and all plans, schedules or work in progress.

#### **4.39. HOSPITALITY OF GOODS AND SERVICES**

Contractor acknowledges the prohibition against acceptance of gifts by Lottery employees, as provided in the paragraph of the Agreement titled, "Ethics Policy: Gifts Prohibited." Consistent with that provision, Contractor agrees that the acceptance of Hospitality Goods or Services it provides under the Agreement is based on potential use by the Lottery for business development, retailer appreciation, or for the sole purpose of reviewing and auditing a Lottery-sponsored event. Approval of the acceptance and use of Hospitality Goods and Services provided by Contractor is at the discretion of the Lottery, consistent with this provision.

"Hospitality Good or Services" is defined as anything of value including, but not limited to, event tickets, other means of admission to events such as passes, hotel accommodations, meals, receptions, or travel. The Contractor must cooperate with the Lottery by furnishing such credentials and other documentation as may reasonably be required by the Lottery for purposes of ensuring that Hospitality Goods or Services are used in a manner consistent with the Agreement and Lottery procedures; and must fully cooperate in any audits conducted by or on behalf of the Lottery regarding the furnishing or use of Hospitality Goods or Services.

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# Attachment A

## Lottery Data Volume



<u>ACH Services</u>	Estimated Monthly Volume
Items Originated* (approximately 100 payments; remainder incoming)	42,000
Returned Items**	100
Weekly File Transmissions	4
Daily Returns File Transmission	21
Pre-notes	100
Change Notifications	120
Automatic Reprocessing of returned ACHs	700
Block ACH Transactions	Unknown
<b><u>Wire Transfers</u></b>	
Domestic Wire – Incoming	30
Domestic Wires – Outgoing*	90
Federal Tax Wires	45
Book Transfers	36
<b><u>Automated Reconciliation</u></b>	
File Transmissions	25
Per Item (accounts)	13,500
CD ROM of paid checks	1
<b><u>Other</u></b>	
Checks Deposited	380
Cash Deposited	\$400,000
Account Maintenance	15
Daily Electronic Statements (for each account)	21
Stop Payments	5
Positive Pay Maintenance	1
Controlled Disbursement Checks Paid	13,000
<b><u>Online Banking System/Information Services</u></b>	
Informational Reporting (includes all accounts, all detail, inquires, etc.)	1
Event Messaging Services	1300
<b><u>Bank Supplies</u></b>	
Deposit Slips	Unknown
Manual Check Stock per Account	Unknown

\* During February, May, August, & November the volume of wire transfers/ACH transfers out increase due to payments of grand prize winners.

\*\* Returned items are those that return after processing the automatic reprocessing.

# Attachment B Cost Submission & Certification

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Vendor Cost Submissions must include the Vendor's proposed pricing schedule for the commodities and services contained in this solicitation. In addition, Vendors must provide a description of interest earning options, interest bearing checking accounts, and other earning related items.

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Vendor's Name

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F.E.I.D #

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Signature of Authorized Representative

---

Printed / Typed Name of Authorized Representative

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Mailing Address

---

City, State, Zip

---

Email Address

---

Telephone Number

Fax Number

Authorized Representative: This Cost Reply form must be signed by an Authorized Representative of the responding Vendor. A document establishing delegated authority must be included with the Reply if signed by other than the Authorized Representative.

In performing its work the Contractor will adhere to the following guidelines:

1. Advertising will be created and produced in a manner consonant with the dignity of the state and the welfare of its citizens.
  - ❖ Advertising will not contain or imply lewd or indecent language, images or actions.
  - ❖ Advertising will not portray product abuse, excessive play or a preoccupation with gambling.
  - ❖ Advertising will not imply or portray any illegal activity.
2. Advertising will not degrade the image or status of persons because of race, color, religion, national origin, sex or any other protected class.
3. Advertising will appropriately recognize diversity in both audience and media, consistent with these standards.
4. Advertising will not encourage people to play excessively or beyond their means.
  - ❖ Advertising and marketing materials should include a responsible play message when appropriate.
  - ❖ Responsible play public service or purchased media messages are appropriate, especially during large jackpot periods.
  - ❖ Support for compulsive gambling programs, including publications, referrals and employee training is a necessary adjunct to lottery advertising.
  - ❖ Advertising will not present, directly or indirectly, any lottery game as a potential means of relieving any person's financial or personal difficulties.
  - ❖ Advertising will not exhort play as a means of recovering past gambling or other financial losses.
  - ❖ Advertising will not knowingly be placed in or adjacent to other media that dramatize or glamorize inappropriate use of a lottery product.

## **Tone**

1. The Lottery will not be promoted in derogation of or as an alternative to employment, or as a financial investment or a way to achieve financial security.
2. Advertisements will not be designed so as to imply urgency, will not make false promises and will not present winning as the probable outcome.
3. Advertising will not denigrate a person who does not buy a lottery ticket or unduly praise a person who does buy a lottery ticket.
4. Advertising will emphasize the fun and entertainment aspect of playing lottery games and not imply a promise of winning.



5. Advertising will not exhort the public to wager by directly or indirectly misrepresenting a person's chance of winning a prize.
6. Advertising will not imply that lottery games are games of skill.

## **Minors and Other Non-Eligible Persons**

1. Persons depicted as lottery players in lottery advertising will not be, or appear to be, under the legal purchase age.
2. Advertising will not appear in media directed primarily to those under the legal age.
3. The Florida Lottery will not be advertised or marketed at venues where the audience is reasonably and primarily expected to be below the legal purchase age.
4. Advertising will not contain symbols or language that is primarily intended to appeal to minors or those under the legal purchase age.
  - ❖ The use of animation is to be monitored to ensure that characters are not associated with animated characters on children's programs.
  - ❖ Celebrity or other testimonials will not be used that would primarily appeal to persons under the legal purchase age.
5. Advertising will not encourage the purchase of lottery tickets by individuals who are not eligible to purchase or play the lottery.

## **Game Information**

1. Odds of winning must be readily available to the public and be clearly stated.
2. Advertising should state alternative cash and annuity values where reasonable and appropriate.

## **Beneficiaries**

1. Advertising may provide information regarding the use of lottery proceeds.
2. Advertising should clearly denote where lottery proceeds go, avoiding statements that could be confusing or misinterpreted.
3. Beneficiaries of lottery proceeds may be used in lottery advertising.

# Certification of Drug Free Workplace

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**IDENTICAL TIE SOLICITATION** - Preference will be given to businesses with drug-free workplace programs. Whenever two or more bids/proposals/replies which are equal with respect to price, quality, and service are received by the State or by any political subdivision for the procurement of commodities or contractual services, a bid/proposal/replies received from a business that certifies that it has implemented a drug-free workplace program will be given preference in the award process. Established procedures for processing tie bids/proposals/replies will be followed if none of the tied vendors has a drug-free workplace program. In order to have a drug-free workplace program, a business must:

- 1) Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violations of such prohibition.
- 2) Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, any available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees for drug abuse violations.
- 3) Give each employee engaged in providing the commodities or contractual services that are under bid/proposal/reply a copy of the statement specified in subsection (1).
- 4) In the statement specified in subsection (1), notify the employees that, as a condition of working on the commodities or contractual services that are under bid/proposal/reply, the employee will abide by the terms of the statement and will notify the employer of any conviction of, or plea of guilty or nolo contendere to, any violation of chapter 893 or of any controlled substance law of the United States or any state, for a violation occurring in the workplace no later than five (5) days after such conviction.
- 5) Impose a sanction on, or require the satisfactory participation in a drug abuse assistance or rehabilitation program if such is available in the employee's community, by any employee who is so convicted.
- 6) Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign the statement, I certify that this firm complies fully with the above requirements.

Vendor Name: \_\_\_\_\_

Authorized Representative: \_\_\_\_\_

Signature: \_\_\_\_\_

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**CONFLICT OF INTEREST AND DISCLOSURE FORM**

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Vendors must disclose the following:

- 1) The name, current position title, and affiliation to Vendor of any officer, director, employee or agent that is also an officer or employee of the Florida Lottery, the State of Florida, or any of its agencies:
  - By checking this box, I certify there are no disclosures to make for this section.
  
- 2) The name, title and affiliation to Vendor of any state officer or employee who owns, directly or indirectly, an interest of five percent (5%) or more in the Vendor's company or any of its branches or affiliates:
  - By checking this box, I certify there are no disclosures to make for this section.
  
- 3) The name, title and affiliation to Vendor of any employee, agent, lobbyist, previous employee of the Lottery, or other person, who has received or will receive compensation of any kind, or who has or is required to register under Section 112.3215, Florida Statutes in seeking to influence the actions of the Lottery in connection with this procurement:
  - By checking this box, I certify there are no disclosures to make for this section.

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Vendor: \_\_\_\_\_

Signature of Authorized Representative: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Date: \_\_\_\_\_



DISCLOSURE AFFIDAVIT

BEFORE ME, the undersigned, personally appeared \_\_\_\_\_ (hereinafter AFFIANT), who, being first duly sworn, states that

1. AFFIANT is the \_\_\_\_\_ of \_\_\_\_\_ (hereinafter RESPONDENT), that is (Corporate Officer position) submitting a response for >. AFFIANT has personal knowledge of the facts stated herein.

2. RESPONDENT is a (check one)

- \_\_\_\_\_ corporation (complete 3-6)
\_\_\_\_\_ partnership (complete 7-8)
\_\_\_\_\_ trust (complete 9-10)
\_\_\_\_\_ association (complete 11-13)
\_\_\_\_\_ sole proprietorship (complete 14)
\_\_\_\_\_ limited liability company (complete 15-17)

Respondent Contract Name \_\_\_\_\_ Business Telephone \_\_\_\_\_

Filing or document No. (if incorporated, LLC or LP) \_\_\_\_\_ State of registration \_\_\_\_\_

Business Address \_\_\_\_\_

A) In what states and jurisdictions does Respondent do business? \_\_\_\_\_

B) What is the nature of Respondent's business in each state or jurisdiction listed above? \_\_\_\_\_

C) In what states and jurisdictions does Respondent have contracts to supply gaming goods or services and what goods or services do you provide in each state?

Table with 2 columns: State or Jurisdiction, Goods or Service. Multiple rows for data entry.

D) Has Respondent ever applied for, sought renewal of, received, been denied, have pending, or had revoked a gaming license of any kind in any state or jurisdiction? \_\_\_\_\_ Yes \_\_\_\_\_ No If yes, please explain and indicate the state(s) or jurisdiction(s) in which this occurred. \_\_\_\_\_

\_\_\_\_\_

E) Has Respondent ever filed bankruptcy, been insolvent, reorganized or does Respondent have any pending litigation? \_\_\_\_\_ Yes \_\_\_\_\_ No If yes, please provide a detailed explanation. \_\_\_\_\_

\_\_\_\_\_

F) Has Respondent pled guilty or nolo contendere or been convicted by a state or federal court of a felony committed within the preceding 10 years, regardless of adjudication? \_\_\_\_\_ Yes \_\_\_\_\_ No If yes, please explain. \_\_\_\_\_

\_\_\_\_\_

**IF RESPONDENT IS A CORPORATION**

3. As used in this Affidavit, the term "officer" refers to a person holding one of the offices established in the Articles of Incorporation of RESPONDENT.

4. The names and addresses of the corporate officers of \_\_\_\_\_ are as follows:

The above-named persons constitute all of the officers of RESPONDENT.

5. The names and addresses of the directors of RESPONDENT are as follows:

The above-named persons constitute the entire Board of Directors of RESPONDENT.

6. Please complete either 6a or 6b, whichever is appropriate.

a. RESPONDENT is not a publicly traded corporation. The names and addresses of the shareholders of RESPONDENT are as

follows:

The above-named persons constitute all of the shareholders of RESPONDENT.

- b. RESPONDENT is a publicly traded corporation. The names and addresses of the shareholders of RESPONDENT who own 5% or more of the corporate stock are as follows:

The above-named persons constitute all of the shareholders of RESPONDENT who own 5% or more of the corporate stock.

**IF RESPONDENT IS A PARTNERSHIP**

- 7. The names and addresses of the general partners of RESPONDENT are as follows:

The above-named persons constitute all of the general partners of RESPONDENT.

- 8. The names and addresses of the limited partners of RESPONDENT are as follows:

The above-named persons constitute all of the limited partners of RESPONDENT.

**IF RESPONDENT IS A TRUST**

9. The names and addresses of the trustees of RESPONDENT are as follows:

The above-named persons constitute all of the trustees of RESPONDENT.

10. The names and addresses of the beneficiaries of RESPONDENT are as follows:

The above-named persons constitute all of the beneficiaries of RESPONDENT.

**IF RESPONDENT IS AN ASSOCIATION**

11. The names and addresses of members of RESPONDENT are as follows:

The above-named persons constitute all of the members of RESPONDENT.

12. The names and addresses of the officers of RESPONDENT are as follows:

The above-named persons constitute all of the officers of RESPONDENT.

13. The names and addresses of the directors of RESPONDENT are as follows:

The above-named persons constitute all of the directors of RESPONDENT.

**IF RESPONDENT IS A SOLE PROPRIETORSHIP**

14. AFFIANT is the sole owner of Respondent. If so, complete the Vendor Personal Profile Form.

**IF RESPONDENT IS A LIMITED LIABILITY COMPANY**

15. The names and addresses of members of RESPONDENT are as follows:

The above -named persons constitute all of the members of RESPONDENT.

16. The names and addresses of the managers of RESPONDENT are as follows:

The above-named persons constitute all of the managers of RESPONDENT.

17. The names and addresses of the officers, if any, of RESPONDENT are as follows:

The above-named persons constitute all of the officers of RESPONDENT.

**ALL RESPONDENTS**

18. Have any of the individuals identified in paragraphs 4 through 17 above pled guilty or nolo contendere or been convicted by a state or federal court of a felony committed within the preceding 10 years, regardless of adjudication? \_\_\_\_ Yes \_\_\_\_ No  
If yes, please explain. \_\_\_\_\_

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19. AFFIANT understands that the above requested information is required by Section 24.111, Fla. Stat., to be submitted as part of this procurement. AFFIANT further understands that if, during the investigation conducted, the information is found to be incorrect or incomplete, RESPONDENT may be rejected under the authority of the Lottery.

FURTHER AFFIANT SAYETH NAUGHT.

\_\_\_\_\_  
AFFIANT'S SIGNATURE

STATE OF \_\_\_\_\_  
COUNTY OF \_\_\_\_\_

Sworn to or affirmed and subscribed before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by  
\_\_\_\_\_.

Personally known \_\_\_\_  
or  
Produced identification \_\_\_\_  
If produced identification,  
type: \_\_\_\_\_

\_\_\_\_\_  
Notary Public

My Commission Expires:

### DESIGNATED REPRESENTATIVE FOR BACKGROUND INVESTIGATIONS

**Representative's Full Name:**

\_\_\_\_\_

**Representative's Title:**

\_\_\_\_\_

**Telephone Number:** \_\_\_\_\_

**Fax Number:** \_\_\_\_\_



## **Mission Statement**

As set forth in Chapter 24, Florida Statutes, the Florida Lottery was created to allow the people of the state to benefit from significant additional moneys for education while playing the best lottery games available. The mission of the Florida Lottery is to maximize revenues in a manner consistent with the dignity of the state and the welfare of its citizens.

## **Sales Goals**

For purposes of the Florida Educational Enhancement Trust Fund revenue projections, the sales goals of the Florida Lottery are to achieve net ticket sales level of at least \$5 billion per fiscal year. This will yield an annual revenue transfer in excess of one billion dollars each fiscal year to the EETF.

## **Historical Background of the Florida Lottery**

The Lottery began ticket sales on January 12, 1988, and has since enjoyed strong sales and revenue performance. Florida Lottery annual sales have averaged over \$5 billion for the past six years through the implementation of successful product lines. The Florida Lottery's life-to-date sales exceed \$94 billion and have resulted in the transfer of more than \$30 billion to the Florida Educational Enhancement Trust Fund.

## **Product Descriptions**

The Florida Lottery offers a full complement of both Scratch-Off and Draw games including:

### **Scratch-Off Games**

Scratch-Off games offer players a chance to be an instant prize winner, even an instant multi-millionaire. The first Florida Lottery ticket, the \$1 Scratch-Off game MILLIONAIRE, went on sale in January 1988. The price and variety of games offered have increased over the years, as have their popularity, prizes, sales and profits for education. Early in the Lottery's history Scratch-Off games accounted for a little more than 20% of total Lottery sales; in fiscal year 2016 Scratch-Off sales were approximately \$4 billion, representing 65% of total Lottery sales and generating over \$734 million in revenue for education in a single year.

New Scratch-Off games are introduced approximately every six weeks and are unique in theme, play action and prize structure. The Florida Lottery offers approximately 70 Scratch-Off games at a given time, ranging in price from \$1 to \$25. Florida Lottery Scratch-Off game strategies have expanded to include licensed property games, "niche" games, families of games with varying price points and extended play games. Second chance drawings on the website are used extensively to add value to players' non-winning Scratch-Off tickets.

Scratch-Off tickets continue to be the source of greatest sales growth among maturing lottery states as those states find ways to increase the market penetration of Scratch-Off games and to increase play by existing Scratch-Off game players.



## **POWERBALL® with Power Play®**

The Florida Lottery launched POWERBALL, a multi-state jackpot game, in January 2009. In January 2016, POWERBALL set a new record with a \$1.586 billion jackpot.

POWERBALL drawings are held live at Florida Lottery Headquarters and aired on television stations throughout the U.S. on Wednesday and Saturday evenings at 10:59 p.m. Eastern Time (ET). During a drawing, six numbers are selected: five white ball numbers from 1 to 69 and one red Powerball number from 1 to 26. Players who match 5-of-5 numbers and the Powerball number win the jackpot, which starts at \$40 million and rolls over/increases each drawing without a jackpot winner. Players who match 5-of-5 numbers win \$1 million. There are seven other prize levels to match and win prizes in the POWERBALL game. Players may choose Power Play for a \$1 more per play to increase their non-jackpot prizes. Power Play players who match 5-of-5 numbers win \$2 million.

POWERBALL tickets cost \$2 per play, making it the highest grossing Florida Lottery Draw game. POWERBALL sales for fiscal year 2016 were approximately \$602 million and represented nearly 10% of total Lottery sales.

## **FLORIDA LOTTO® with XTRA**

Since its introduction in April 1988, FLORIDA LOTTO® has been the Florida Lottery's brand product whose name is often used synonymously with the Florida Lottery. FLORIDA LOTTO continues to be the number one in-state lotto game in the nation game, turning over 1,000 Florida players into jackpot winners and generating more than \$8 billion in revenue for Florida students and schools.

FLORIDA LOTTO drawings are held Wednesdays and Saturdays at 11:15 p.m. ET. Players win by matching some or all of the numbers on their \$1 ticket, to the six numbers (1 to 53) drawn. The XTRA play feature was added in October 2009, giving players a chance to multiply their non-jackpot prize amounts from 2-5 times for \$1 more per play. Sustaining and increasing sales outside the context of large Lotto jackpots remains the primary marketing challenge for the Lottery.

FLORIDA LOTTO and XTRA sales for fiscal year 2016 were approximately \$291 million and represented approximately 4.8% of total Lottery sales.

## **MEGA MILLIONS® with Megaplier®**

The Florida Lottery launched the multi-state game MEGA MILLIONS with Megaplier in May 2013, with drawings held live in Atlanta, GA and aired on television stations Tuesday and Friday evenings beginning at 11:00 p.m. ET. During the drawing, six numbers are selected: five white ball numbers from 1 to 75 and the Mega Ball number from 1 to 15. Matching all five white ball numbers and the Mega Ball number wins the jackpot, which starts at \$15 million and rolls over/increases each drawing without a jackpot winner.

Megaplier is an add-on feature that allows players to multiply their non-jackpot prizes, for just \$1 more per play. The Megaplier number, selected right before the MEGA MILLIONS draw, will determine the multiplier for that draw. If a MEGA MILLIONS with Megaplier player matching five white ball numbers, he/she wins \$5 million.

MEGA MILLIONS sales for fiscal year 2016 were approximately \$149.9 million and represented 2.5% of total Lottery sales.

## **LUCKY MONEY™ with EZmatch™**

In July 2014, the Florida Lottery replaced MEGA MONEY with LUCKY MONEY™ with EZmatch™. LUCKY MONEY jackpots start at \$500,000 and can roll over to up to \$2 million if there isn't a jackpot winner. Once the LUCKY MONEY jackpot reaches \$2 million and there is no jackpot winner, the jackpot prize pool rolls down and increases the payouts on all of the lower-tier prize levels. Tickets cost \$1 per play, and EZmatch can be added for \$1 more, which gives players the chance to win instant cash prizes of up to \$500. LUCKY MONEY drawings are held Tuesday and Friday evenings at 11:15 p.m. ET. Players win by matching some or all of the four white ball numbers from 1 to 47 and the Lucky Ball number from 1 to 17.

LUCKY MONEY sales for fiscal year 2016 were approximately \$85 million and represented 1.4% of total Lottery sales.

## **FANTASY 5® with EZmatch™**

FANTASY 5® was launched in 1989 and has changed game matrices and draw days several times throughout the years. . Tickets cost \$1 per play, and EZmatch can be added for \$1 more, which gives players the chance to win instant cash prizes of up to \$500. Drawings are held daily 11:15 p.m. ET. The FANTASY 5 top prize is typically around \$200,000 but varies based on sales. A player wins by matching some or all of the five numbers from 1 to 36. If there is not a top prize winner, the prize money rolls down to increase the prize amounts of the lower level prizes. FANTASY 5 is the top-selling game in its category nationally, creating nearly 700 million winners and generating over \$3 billion for Florida's education system.

In fiscal year 2016, FANTASY 5 and EZmatch combined sales were approximately \$296 million and accounted for approximately 4.9% of total Lottery sales.

## **PICK Daily Games™**

PICK 3, formerly CASH 3, was introduced in April 1988 and PICK 4, formerly PLAY 4, was added in July 1991. PICK 2 and PICK 5 were added in August 2016. Players pick their numbers 0-9, how they want to play and when to play, with drawings twice a day, every day at 1:30 p.m. and 7:57 p.m. ET. Players determine the price of their ticket (starting at just 50¢), the odds of winning (starting at 1:10) and the prize they could win (up to \$50,000) based on the numbers, play type and game they pick!

In fiscal year 2016, combined PICK sales were over \$671 million, accounting for more than 11% of total Lottery sales.



## **Florida Lottery Sales Network**

The Florida Lottery has a network of over 13,000 retailers across the state that are contracted to sell Lottery products. The largest retailer trade styles are convenience stores and convenience stores with gas which represent seventy-one percent (71%) of the retailer base and supermarkets which represent fifteen percent (15%). The other twenty-four percent (24%) represent a wide variety of other trade styles including restaurants, newsstands, liquor stores, and bowling alleys. The 13,000 retailers are further classified into two groups: corporate accounts and independently owned accounts. Lottery retailers receive a five percent (5%) sales commission plus a one percent (1%) commission for each prize cashed under \$600.

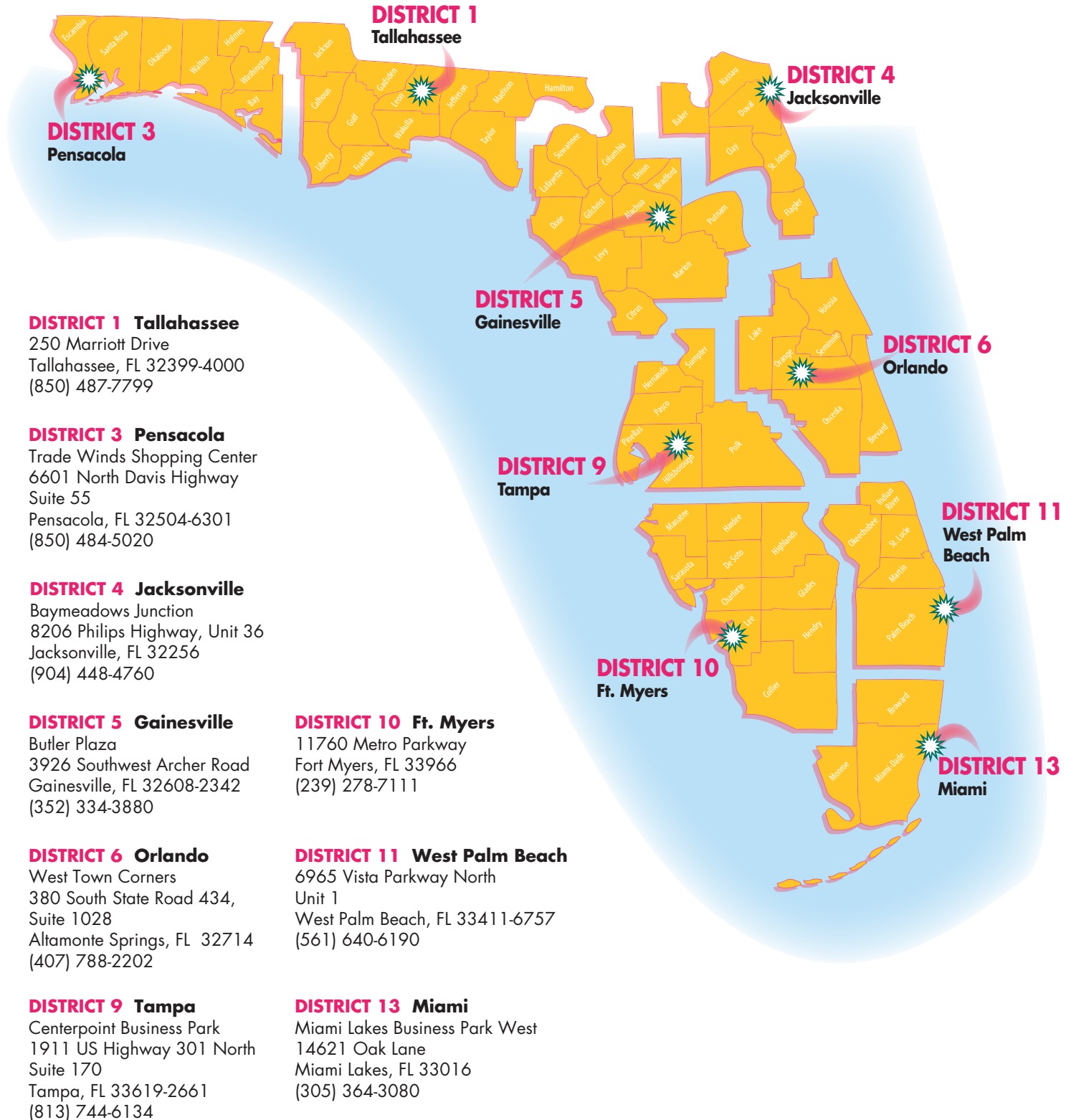
## **Market Research**

The Florida Lottery conducts a comprehensive, on-going marketing research program comprising several different types of studies. These studies have as their purpose gaining a better understanding of consumer behaviors and preferences, the public image of the Lottery and the financial impacts of game or program changes. This knowledge, in turn, improves the Lottery's ability to increase sales and transfer more money to the Educational Enhancement Trust Fund.

Studies include, but are not limited to, monthly Tracking Surveys that monitor trends in advertising awareness and play habits, focus group research for new games and brand analysis, and player panel studies for quick responses to game ideas.



# Florida Lottery District Offices



Between the years of 2000 and 2003, Districts 2, 7, 8 & 12 were consolidated with surrounding District Offices.

# RESPECT of Florida

## Agreement Terms

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- 1) No similar product or service of comparable price and quality necessary for the Contractor to fulfill its contractual obligations may be purchased from any other source other than RESPECT, when such products and/or services are certified by RESPECT to be manufactured or supplied by the blind or severely handicapped and the product or service meets the comparable performance specifications and comparable price and quality requirements as determined by the Contractor. The Contractor may make reasonable determinations of need, price and quality with reference to products or services available from RESPECT.
- 2) A complete listing of commodities and/or services offered by RESPECT of Florida is available at: [www.respectofflorida.org](http://www.respectofflorida.org).
- 3) RESPECT of Florida may be contacted at:  
  
RESPECT  
2475 Apalachee Pkwy  
Tallahassee, Florida 32301-4946  
Phone/direct: (850) 942-3555
- 4) A determination that a product or service provided by RESPECT does not conform to the requirements of a product and/or services specified by the Contractor will not constitute such a determination for all products and/or services available from RESPECT. Any claim of non-conformance must be addressed with RESPECT within two (2) business days of such determination to give RESPECT an opportunity to correct and satisfy product and/or service requirements. A determination of non-conformance can only occur during the Agreement term.
- 5) RESPECT may waive in writing its right to provide products and/or services to the Contractor, but such waiver is subject to an annual review by RESPECT.
- 6) During the term of the Agreement, the Lottery may identify products and/or services opportunities that may be available from RESPECT. Upon identification of such opportunities, the Lottery will provide a list itemizing the products and/or services that the Contractor will afford RESPECT an opportunity to provide. RESPECT will provide the Lottery reports on the expenditures made by a Contractor.
- 7) The Contractor will be required to meet and consult with representatives of the Lottery and RESPECT should the Lottery deem it necessary. If significant travel would be required for attendance at a consultation meeting, then a conference call will be required.

# RESPECT of Florida Agreement Terms

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8) Failure of the Contractor to adhere to the requirements specified herein and in Chapter 413, Florida Statutes, may subject future purchases by the Contractor of products and/or services provided by RESPECT to be coordinated through the Lottery; cause the Contractor to be deemed non-responsible in future Lottery or other governmental entity solicitations; and/or result in renewal options not being exercised; and/or subject the Agreement to termination.

By submission of a Reply to this ITN, the Vendor certifies it agrees to adhere to Chapter 413, Florida Statutes and the RESPECT of Florida Agreement Terms as provided herein.

**Authorized Representative:**

The RESPECT of Florida Agreement Terms must be signed by an Authorized Representative of the responding Vendor, of if the Vendor submits a consolidated financial statement of its parent corporation an Authorized Representative of the responding Vendor's parent corporation. A document establishing delegated authority must be included with the Reply if signed by other than the Authorized Representative.

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Vendor Name

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Authorized Representative Printed (Typed) Name

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Authorized Representative Signature

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Authorized Representative Title

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Date



# Mandatory Requirements of Agreement

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**Assignment of the Agreement** - The Agreement is not assignable except with the prior written approval of the Lottery. Monies payable under the Agreement are not assignable except with the prior written approval of the Lottery and the Chief Financial Officer of the state of Florida. In the event of such approval, the terms and conditions hereof will apply to and bind the party or parties to whom the Agreement is assigned as fully and completely as the Contractor is there under bound and obligated. No assignment, if any, will operate to release the Contractor from liability for the prompt and effective performance of its obligations under the Agreement.

**Audit** - The Contractor is required to maintain its books, records and other evidence pertaining to the Agreement in accordance with generally accepted accounting principles (GAAP) and such other procedures specified by the state of Florida. The Lottery reserves the right to audit all Contractor's and subcontractors' procedures and records using its employees, its designees or other State agencies to the extent permitted by law. The Contractor must maintain all supporting documentation for charges and/or reports to the Lottery for a period of five years after the expiration of, termination of, or final payment on, the Agreement, whichever is later. This documentation must be available for audit by the Lottery during this time period at the Lottery's discretion.

**Availability of Funds** - The state of Florida's and the Lottery's performance and obligation to pay under the Agreement are contingent upon an annual appropriation by the Florida Legislature.

**Benefit** - The Agreement is for the benefit of the Lottery and the Contractor and not for the benefit of any third party or person.

**Contractor Ethics and Integrity** - The Contractor is obligated to meet high standards for ethics and integrity under the Agreement, therefore:

1. The Contractor and its employees will not accept pay, remuneration, or gratuity of any value from any person or entity other than the Lottery for performance of the Agreement.
2. The Contractor and its employees will not accept pay, remuneration, or gratuity of any value from any person or entity other than the Lottery for information derived from the Agreement.
3. The Contractor and its employees will not offer or give any gift, gratuity, favor, entertainment, loan, or any other thing of material monetary value to any Lottery employee.
4. The Contractor and its employees will not disclose any business sensitive or confidential information gained by virtue of the Agreement to any party without the written consent of the Lottery.
5. The Contractor and its employees will take no action in the performance of the Agreement to create an unfair, unethical, or illegal competitive advantage for itself or others.
6. The Contractor and its employees will not have any financial or personal interests relating to the project (other than the Agreement itself) without the express written consent of the Lottery.

For violation of the above provisions, the Lottery may terminate the Agreement for breach, receive restitution from the Contractor, debar the Contractor, and take any other appropriate actions against the Contractor.

# Mandatory Requirements of Agreement

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**Controlling Law and Venue** - The validity, interpretation and performance of the Agreement will be governed by and construed according to the laws of the state of Florida. Any and all civil or administrative actions against the Lottery arising under the Agreement will be instituted in the appropriate court in Leon County, Florida.

**Ethics Policy: Gifts Prohibited** - Lottery employees are prohibited by the Lottery's ethics rule, 53ER12-18, Florida Administrative Code, from accepting anything of value from a lobbyist or principal of a lobbyist or from an entity doing business with the Lottery. A copy of the rule can be obtained from the Florida Lottery, Office of the General Counsel, 250 Marriott Drive, Tallahassee, Florida 32399-4011. The Contractor agrees that it will not offer or provide to any Lottery employee any gift or other item of value that would violate the Lottery's ethics rule and acknowledges that the Lottery may unilaterally cancel the Agreement if the Contractor violates this provision.

**E-Verify Employment Eligibility Verification Program** - Pursuant to state of Florida Executive Orders: 11-02 and 11-116, the Contractor is required to utilize the U.S. Department of Homeland Security's E-Verify system to verify the employment of all new employees hired by the Contractor during the Agreement term. Also, the Contractor must include, in related subcontracts, a requirement that subcontractors performing work or providing services pursuant to the Agreement utilize the E-Verify system to verify employment of all new employees hired by the subcontractor during the Agreement term.

**Force Majeure** - Except as otherwise provided herein, neither the Contractor nor the Lottery will be liable to the other party for any delay in or failure of performance of any covenant contained herein, nor will any such delay or failure of performance constitute default hereunder, to the extent that such delay or failure is caused by force majeure. As used herein "force majeure" is strictly limited to an event which is outside the control of the party and cannot be reasonably avoided or deterred by such party, to include fire, explosion, action of the elements, terrorism, rationing, war, or civil disturbance. The existence of such causes of delay or failure will extend the period for performance to such extent as may be necessary to enable complete performance in the exercise of reasonable diligence after the causes of delay or failure have been removed.

Anything in the foregoing notwithstanding, the Lottery, in its sole discretion, may elect to terminate the Agreement upon occurrence of any force majeure if continuation of the Agreement is materially threatened or hindered by reason of extended delay or failure of performance.

During a period of non-performance due to Force Majeure, payments from the Lottery to the Contractor will be suspended.

**Independent Contractor** - The Contractor, its employees, agents and subcontractors performing under the Agreement are not officers, employees, or agents of the Lottery. The Contractor is an independent contractor and will not hold itself out as nor claim to have any other relationship with the Lottery or the state of Florida by reason hereof.

**Inspector General** - The Contractor and its subcontractors are required to cooperate with the state of Florida, Office of Chief Inspector General, and the Florida Lottery, Office of Inspector General in any investigation, audit, inspection, review or hearing conducted pursuant to subsection 20.055, Florida Statute.

# Mandatory Requirements of Agreement



## **Invoices and Payment to Contractor**

1. Invoices for commodities and/or services delivered must cross-reference to the Agreement in such a manner that the Lottery can identify the authority for the charge submitted and otherwise be submitted in detail sufficient for a proper pre-audit and post audit thereof. All invoices must be submitted to: Financial Transactions, Florida Lottery, 250 Marriott Drive, Tallahassee, Florida 32301-4020. Delays in payment may occur if invoices are not submitted to the aforementioned unit. If invoices are submitted to other units within the Lottery, payment delays will not be considered the fault of the Lottery.
2. Payment must be made in accordance with Section 215.422, Florida Statutes. Upon receipt of the commodities and/or services provided by the Contractor to the Lottery, the Lottery will have 10 working days to inspect and approve the commodities and/or services. Within 20 days thereafter, the Lottery will deliver a request for payment to the Department of Financial Services. The 20 days will be measured from the latter of the date upon which a correct, undisputed invoice is received or the date the commodities and/or services are received, inspected and approved.

Payment will be delayed on invoices which are returned to the Contractor because of the Contractor's preparation errors or disputes. Undisputed amounts are subject to the invoice payment requirements. If a warrant is not issued within forty (40) days, a separate interest penalty as specified in Section 55.03, Florida Statutes, will be due and payable to the Contractor, in addition to the invoice amount. Interest penalties of less than one dollar (\$1.00) will not be enforced unless the Contractor requests payment.

A Vendor Ombudsman Program has been established within the Department of Financial Services. The duties of this program include acting as an advocate for vendors who may be experiencing problems in obtaining timely payments from a state agency. The Vendor Ombudsman Program may be contacted at (850) 413-5516, or by calling the Department of Financial Services Consumer Hotline at 1-800-342-2762.

3. The centralized Vendor Portal of the Florida Department of Financial Services, found at: <http://www.myfloridacfo.com/Division/AA/Vendors/default.htm>, provides pertinent information pertaining to vendor payment status, direct deposits and training opportunities. From this website vendors may also access the W-9 submission and information portal. State of Florida agencies are not permitted to make payments to any vendor that does not have a verified Substitute Form W-9 on file with the Department of Financial Services. For additional assistance please contact (850) 413-5510.

**Modification of Agreement** - The Agreement, including any attachments or exhibits, represents the entire agreement of the parties. The Agreement may only be modified or amended if documented in writing and upon mutual agreement/acknowledgement of the parties.

**Public Access to Records** – In accordance with the requirements of section 119.0701(2)(a), Florida Statutes, and in addition to the requirements herein, all documents, papers, letters, or other materials relating to the Agreement that are made or received by the Contractor in conjunction with the Agreement, except those matters which, under the Agreement, Florida law or Florida Lottery rules are confidential, are required to be available for public access and copying in the manner specified by Chapter 119, Florida Statutes.

# Mandatory Requirements of Agreement

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IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THE AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS REGARDING THE AGREEMENT AT: PHONE (850) 487-7777; E-MAIL: [OPENGOV@FLALOTTERY.COM](mailto:OPENGOV@FLALOTTERY.COM); ADDRESS: 250 MARRIOTT DRIVE, TALLAHASSEE, FLORIDA 32301.

Florida law requires that a request to inspect or copy public records relating to the Agreement be made directly to the Florida Lottery. If the Contractor receives a request for information pursuant to the Agreement, the Contractor will notify the Lottery immediately so that the Lottery may respond to the request. If the Florida Lottery does not possess the requested record, the Florida Lottery will immediately notify the Contractor and the Contractor must provide the records to the Florida Lottery or allow the records to be inspected or copied within a reasonable time. The Lottery may unilaterally cancel the Agreement for the Contractor's refusal to allow access to public records.

The Lottery will notify the Contractor within three business days of any public records request which includes confidential information submitted by the Contractor in order to provide an opportunity to protect any documents the Contractor deems to be confidential or to contain trade secrets.

**Public Entity Crime** – An entity, person or affiliate who has been placed on the discriminatory vendor list or the convicted vendor list following a conviction for a public entity crime may not:

1. submit a bid, proposal, or reply for an agreement to provide any goods or services to a public entity;
2. submit a bid, proposal, or reply for an agreement with a public entity for the construction or repair of a public building or public work;
3. submit a bid, proposal, or reply on leases of real property to a public entity;
4. be awarded or perform work as a contractor, supplier, subcontractor, or consultant under an agreement with any public entity;
5. transact business with any public entity on the discriminatory vendor list; or
6. transact business with any public entity in excess of the threshold amount provided in s. 287.017 for CATEGORY TWO for a period of 36 months following the date of being placed on the convicted vendor list.

The Contractor represents and warrants that it is not on the discriminatory or convicted vendor lists and that it will promptly notify the Lottery if its name is placed on the list during the term of the Agreement.

**Public Records Transfer** - Upon the expiration of the Agreement, all records made or received in conjunction with the Agreement, including records electronically-stored, must be transferred to the Lottery, at no cost. Electronically-stored records must be provided in a format as determined by the Lottery. Any and all duplicate public records that are exempt or confidential must be shredded upon expiration of the Agreement.

# Mandatory Requirements of Agreement

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This clause does not alleviate the Contractor's responsibility to maintain books, records or other evidence required for auditing purposes.

**Severability** - If any clause, term, or provision of the Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, then such event will not affect, impair, or render invalid or unenforceable the remainder of the Agreement or any other clause, term, or condition hereof, except as is necessary to preserve the particular rights and obligations of the parties as established herein.

**Unauthorized Aliens** - The employment of unauthorized aliens by any contractor is considered a violation of the Immigration and Nationality Act, 8 U.S.C. § 1324a. If the Contractor knowingly employs unauthorized aliens, such violation will be cause for unilateral cancellation of the Agreement.

**Waiver** - Waiver of a breach of any provision hereof does not constitute a waiver of any subsequent breach of such provision or of any other provision in the Agreement.

**Warranties of Contractor** - The Contractor covenants and warrants as follows:

1. It is lawfully organized and constituted under all federal, state and local laws, ordinances and other authorities of its domicile and is otherwise in full compliance with all legal requirements of its domicile.
2. It possesses the legal authority and capacity to enter into and perform the Agreement; and the Contractor's representative executing the Agreement is an Authorized Representative of the Contractor. Authorized Representative is defined as the owner, corporate officer, or director of the Vendor; or party authorized to legally bind the Vendor in a contractual obligation. A document establishing delegated authority must be provided to the Lottery, if the Agreement will be executed by someone other than an Authorized Representative.
3. It is duly authorized to operate and do business in the state of Florida and all places where it will be required to conduct business under the Agreement;
4. It has obtained or will obtain, at no cost to the state of Florida, all necessary licenses and permits required in connection with the Agreement and will otherwise fully comply with all laws, decrees, labor standards and regulations of its domicile and such other location where performance may occur during the term of the Agreement.
5. It has no present interest and will not acquire any interest that would conflict in any manner with the Agreement duties and obligations under the Agreement.
6. The services rendered will in all respects conform to, and function in accordance with, the specifications and designs requested in the Agreement.
7. Its performance under the Agreement will not infringe on any patent, copyright, trademark, service mark or other intellectual property rights of any other person or entity and will not constitute the unauthorized use of any trade secret of any other person or entity.

# Vendor Diversity Agreement Terms

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1. Upon written request from the Lottery, the Contractor will be required to submit a Small and Diverse Business Participation Plan ("Plan") to the Lottery on the implementation of Vendor Diversity practices; with a report on the prior year activities along with any Plan updates provided annually. The Plan and corresponding updates will be at no additional cost to the Lottery.

The Florida Lottery reserves the right to modify reporting requirements during the term of the Agreement as well as waive submission of an annual Plan should the Contractor exhibit good faith efforts as determined by the Lottery.

Failure to timely submit an acceptable Plan, if requested by the Lottery, will result in a delay in payment of the invoiced amount. Additionally, the Lottery at its sole discretion may determine the products and/or services invoiced for during the same period of time of when the Plan is due to not to be satisfactorily performed and payment of the corresponding invoice(s) may be delayed until the Plan has been submitted and approved.

2. The Contractor may obtain information on diverse business enterprises by contacting the Department of Management Services, Office of Supplier Diversity (OSD), 4050 Esplanade Way, Suite 360, Tallahassee, Florida 32399-0950 / (850) 487-0915 / [osdhelp@dms.myflorida.com](mailto:osdhelp@dms.myflorida.com).
3. During the Agreement term, the Lottery will provide assistance in identifying procurement opportunities that may be issued for competition to Small, Certified, or Non-Certified Minority Businesses.
4. The Contractor agrees to allow its company information to be posted on the Lottery's web site. At a minimum, the company information will include the company name, contact person name for outreach activities, mailing address, phone and fax numbers, email addresses etc. The Lottery, at its sole discretion, may post the Contractor's Small and Diverse Business Plan as well as the required reports.
5. During the term of the Agreement, the Lottery may identify commodities and/or contractual services opportunities for Small and Diverse Business participation. The Lottery may provide a list of potential vendors that the Contractor will afford an opportunity to participate in providing a quote on the specified commodities and/or contractual services. The Contractor will be required to provide a report to the Lottery on the status of these initiatives, i.e., quoted date, vendors who participated, the outcome etc as outlined in the notification.
6. The Contractor will be asked to consider participating in Lottery identified "Annual Match Maker" expositions with a booth to facilitate one-on-one interaction with small and diverse businesses and enhance outreach initiatives pertaining to the Agreement. Attendance will be encouraged annually.
7. Failure to exhibit good faith efforts in Small and Diverse Business initiatives and outreach efforts may subject future purchases by the Contractor in fulfilling its contractual responsibilities to be coordinated with the Lottery and/or the Office of Supplier Diversity.

# Vendor Diversity Agreement Terms

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8. Additionally, failure to exhibit good faith efforts may cause the Contractor to be deemed non-responsible in future Lottery or other governmental entity competitive solicitations and subject to termination of the Agreement.
9. It is required that the Contractor, as part of implementing its participation plan, seek to utilize Certified Minority Business Enterprises (CMBEs) in performing services under the Agreement and/or afford the opportunity to provide day-to-day supplies and/or services.
10. A Certified or Non-certified Minority Business Enterprise subcontractor will not be allowed to subcontract any portion or portions of the work back to:
  - a. The Contractor, either directly to or through any other company or firm owned and/or controlled by the Contractor; or,
  - b. Any firm with which the CMBE has a present business relationship. A present business relationship is defined as both firms having some of the same owners or the sharing of space, equipment, financing or employees.
11. CMBE subcontractors will not be allowed to subcontract all or the majority of the sub-contractual portion of the work to another firm or firms. A CMBE subcontractor whose employees perform none of the direct labor or service activities specified in the Agreement will be prohibited from engaging in a sub-contractual agreement with the intent of collecting a broker's fee or commission.
12. Small and Minority Business Participation plans may be re-assessed and updated annually on the anniversary date of the Agreement. The Lottery reserves the right to require more frequent updates or to waive annual updates depending upon the Contractor's performance in outreach initiatives as determined by the Lottery and/or Office of Supplier Diversity.
13. The Contractor will provide to the Lottery a ninety (90) day spending plan on a quarterly basis. The Contractor agrees to allow this spending plan to be posted on the Lottery website as a resource for Small and Minority Business opportunities.
14. The Contractor will provide to the Lottery, on a monthly basis, a report which outlines commodities and/or contractual service expenditures with State of Florida businesses. These reports must include the vendor corporation name, address, summary of items purchase and total dollar amount for the month. The Florida Lottery will verify if the listed vendors qualify as a Certified or Non-Certified Minority Business Enterprise.



FLORIDA LOTTERY

VENDOR PERSONAL PROFILE FORM

Full Name: \_\_\_\_\_ Nickname(s): \_\_\_\_\_

Maiden Name: \_\_\_\_\_ Former Name(s): \_\_\_\_\_

Current Address: \_\_\_\_\_  
\_\_\_\_\_

Sex:  Female  Male

Race:  Black  White  Other: \_\_\_\_\_

Date of Birth: \_\_\_\_\_ Social Security Number: \_\_\_\_\_

Driver License No. and State: \_\_\_\_\_

Employer's Name and Address: \_\_\_\_\_  
\_\_\_\_\_

Occupation/Position Title: \_\_\_\_\_

Has your credit record ever been considered unsatisfactory within the past seven years (credit refused, filed for or declared bankruptcy, delinquent payment history, etc.)?  Yes  No

If yes, give a detailed explanation including dates, names of creditors, and circumstances. \_\_\_\_\_  
\_\_\_\_\_

Have you ever been convicted of or pled nolo contendere to any criminal violation regardless of adjudication within the past ten years?  
 Yes  No If yes, please explain. \_\_\_\_\_

Pursuant to Section 24.111, Florida Statutes, the Department of the Lottery shall investigate the financial responsibility, security and integrity of any person who submits a bid, proposal, or offer as part of a major procurement or as may be required by the Department. As a potential vendor, I hereby authorize the release to the Department of the Lottery of any information necessary for it to conduct such investigations.

Under the Federal Privacy Act, disclosure of a person's Social Security number is voluntary unless a Federal statute specifically requires such disclosure or allows states to collect the number. For vendors or potential vendors and their members, partners, officers, directors and shareholders, disclosure of the Social Security number on this form is voluntary for purposes of the Privacy Act.

Under Section 119.071(5), Florida Statutes, an agency may collect Social Security numbers if it is imperative for the performance of the agency's duties and responsibilities. Notice is hereby provided that it is imperative that the Florida Lottery collect the Social Security numbers of vendors or potential vendors and their members, partners, officers, directors and shareholders in order to conduct the background investigations required by Section 24.111, Florida Statutes, because Social Security numbers are used as an identifier in the databases searched. The Lottery may also provide this information to law enforcement agencies to enforce criminal laws.

**I SWEAR OR AFFIRM THAT ALL OF THE FOREGOING FACTS ARE TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE.**

\_\_\_\_\_  
Signature

STATE OF \_\_\_\_\_ COUNTY OF \_\_\_\_\_

Sworn to or affirmed and subscribed before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by \_\_\_\_\_

who is personally known to me or who has produced \_\_\_\_\_ as identification.

\_\_\_\_\_  
Notary Public