



# TEXAS LOTTERY COMMISSION

## A WORLD OF POSSIBILITIES

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Proposal to the Texas Lottery Commission

• FOR INSTANT TICKET MANUFACTURING AND SERVICES •

HUB Subcontracting Plan (HSP) • RFP No.: 362-12-0001 • January 27, 2012

**ORIGINAL**

A WORLD OF POSSIBILITIES

PRINTED PRODUCTS • SYSTEMS

DIVERSIFIED GAMING



**TEXAS LOTTERY  
COMMISSION**

Submitted to:

Angela Zgabay-Zgarba  
Contracts Administrator

**Texas Lottery Commission**

611 East 6th Street  
Austin, TX • 78701

Submitted by:

**Scientific Games International, Inc.**

1500 Bluegrass Lakes Parkway  
Alpharetta, GA • 30004

Contact Person:

**Jim Trask**

*President, Printed Products Group*

Tel: 770.664.3700 • Fax: 678.624.4115

Instant Ticket Manufacturing and Services

RFP No. 362-12-0001 • January 27, 2012

HUB Subcontracting Plan (HSP)





# HUB SUBCONTRACTING PLAN (HSP)

In accordance with Texas Gov't Code §2161.252, the contracting agency has determined that subcontracting opportunities are probable under this contract. Therefore, all respondents, including State of Texas certified Historically Underutilized Businesses (HUBs) must complete and submit this State of Texas HUB Subcontracting Plan (HSP) with their response to the bid requisition (solicitation).

**NOTE: Responses that do not include a completed HSP shall be rejected pursuant to Texas Gov't Code §2161.252(b).**

The HUB Program promotes equal business opportunities for economically disadvantaged persons to contract with the State of Texas in accordance with the goals specified in the 2009 State of Texas Disparity Study. The statewide HUB goals defined in 34 Texas Administrative Code (TAC) §20.13 are:

- 11.2 percent for heavy construction other than building contracts,
- 21.1 percent for all building construction, including general contractors and operative builders contracts,
- 32.7 percent for all special trade construction contracts,
- 23.6 percent for professional services contracts,
- 24.6 percent for all other services contracts, and
- 21 percent for commodities contracts.

### -- Agency Special Instructions/Additional Requirements --

In accordance with 34 TAC §20.14(d)(1)(D)(iii), a respondent (prime contractor) may demonstrate good faith effort to utilize Texas certified HUBs for its subcontracting opportunities if the total value of the respondent's subcontracts with Texas certified HUBs meets or exceeds the statewide HUB goal or the agency specific HUB goal, whichever is higher. When a respondent uses this method to demonstrate good faith effort, the respondent must identify the HUBs with which it will subcontract. If using existing contracts with Texas certified HUBs to satisfy this requirement, only contracts that have been in place for five years or less shall qualify for meeting the HUB goal. This limitation is designed to encourage vendor rotation as recommended by the 2009 Texas Disparity Study.

## SECTION 1 RESPONDENT AND REQUISITION INFORMATION

a. Respondent (Company) Name: Scientific Games State of Texas VID #: \_\_\_\_\_  
 Point of Contact: Joe Stewart Phone #: 7708254344  
 E-mail Address: joe.stewart@scientificgames.com Fax #: 7706643882

b. Is your company a State of Texas certified HUB?  - Yes  - No

c. Requisition #: 362-12-0001 Bid Open Date: 01 / 27 / 2012  
(mm/dd/yyyy)

**SECTION 2 SUBCONTRACTING INTENTIONS**

After dividing the contract work into reasonable lots or portions to the extent consistent with prudent industry practices, and taking into consideration the scope of work to be performed under the proposed contract, including all potential subcontracting opportunities, the respondent must determine what portions of work, including goods and services, will be subcontracted. Note: In accordance with 34 TAC §20.11., an "Subcontractor" means a person who contracts with a prime contractor to work, to supply commodities, or to contribute toward completing work for a governmental entity.

a. Check the appropriate box (Yes or No) that identifies your subcontracting intentions:

- **Yes**, I will be subcontracting portions of the contract. (If **Yes**, complete Item b, of this SECTION and continue to Item c of this SECTION.)

- **No**, I will not be subcontracting any portion of the contract, and I will be fulfilling the entire contract with my own resources. (If **No**, continue to SECTION 3.)

b. List all the portions of work (subcontracting opportunities) you will subcontract. Also, based on the total value of the contract, identify the percentages of the contract you expect to award to Texas certified HUBs, and the percentage of the contract you expect to award to vendors that are not a Texas certified HUB (i.e., Non-HUB).

Item #	Subcontracting Opportunity Description	HUBs		Non-HUBs
		Percentage of the contract expected to be subcontracted to HUBs with which you have had contracts in place for <u>five (5) years or less</u> .	Percentage of the contract expected to be subcontracted to HUBs with which you have had contracts in place for <u>more than five (5) years</u> .	Percentage of the contract expected to be subcontracted to non-HUBs .
1	Packaging Supplies	%	.68%	%
2	Ink Supplies	%	12.54%	%
3	Printing Services	%	%	1.15%
4	Transportation Services	3.30%	%	%
5	Wood Pallets	%	%	.14%
6	Holographic Paper	%	%	5.35%
7	Coated Paperboard	%	19.10%	%
8	Web Hosting Services	.13%	%	%
9	Insurance Broker Services	%	%	.36%
10	Travel Agency Services	%	%	.20%
11	Auditing Services	%	%	.40%
12		%	%	%
13		%	%	%
14		%	%	%
15		%	%	%
	<b>Aggregate percentages of the contract expected to be subcontracted:</b>	<b>3.43%</b>	<b>32.32%</b>	<b>7.60%</b>

(Note: If you have more than fifteen subcontracting opportunities, a continuation sheet is available online at <http://window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan/>)

c. Check the appropriate box (Yes or No) that indicates whether you will be using only Texas certified HUBs to perform all of the subcontracting opportunities you listed in SECTION 2, Item b.

- **Yes** (If **Yes**, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed.)

- **No** (If **No**, continue to Item d, of this SECTION.)

d. Check the appropriate box (Yes or No) that indicates whether the aggregate expected percentage of the contract you will subcontract with Texas certified HUBs with which you have had contracts in place with for five (5) years or less meets or exceeds the HUB goal the contracting agency identified on page 1 in the "Agency Special Instructions/Additional Requirements".

- **Yes** (If **Yes**, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method A (Attachment A)" for each of the subcontracting opportunities you listed.)

- **No** (If **No**, continue to SECTION 4 and complete an "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed.)





**SECTION 3 SELF PERFORMING JUSTIFICATION (If you responded "No" to SECTION 2, Item a, you must complete this SECTION and continue to SECTION 4.)**

Check the appropriate box (Yes or No) that indicates whether your response/proposal contains an explanation demonstrating how your company will fulfill the entire contract with its own resources.

- **Yes** (If **Yes**, in the space provided below **list the specific page(s)/section(s)** of your proposal which explains how your company will perform the entire contract with its own equipment, supplies, materials and/or employees.)
- **No** (If **No**, in the space provided below **explain how** your company will perform the entire contract with its own equipment, supplies, materials and/or employees.)

**SECTION 4 AFFIRMATION**

As evidenced by my signature below, I affirm that I am an authorized representative of the respondent listed in SECTION 1, and that the information and supporting documentation submitted with the HSP is true and correct. Respondent understands and agrees that, if awarded any portion of the requisition:

- The respondent will provide notice as soon as practical to **all** the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor for the awarded contract. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity they (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.
- The respondent must submit monthly compliance reports (Prime Contractor Progress Assessment Report – PAR) to the contracting agency, verifying its compliance with the HSP, including the use of and expenditures made to its subcontractors (HUBs and Non-HUBs). (The PAR is available at <http://www.window.state.tx.us/procurement/prog/hub/hub-forms/progressassessmentrpt.xls>).
- The respondent must seek approval from the contracting agency prior to making any modifications to its HSP, including the hiring of additional or different subcontractors and the termination of a subcontractor the respondent identified in its HSP. If the HSP is modified without the contracting agency's prior approval, respondent may be subject to any and all enforcement remedies available under the contract or otherwise available by law, up to and including debarment from all state contracting.
- The respondent must, upon request, allow the contracting agency to perform on-site reviews of the company's headquarters and/or work-site where services are being performed and must provide documentation regarding staffing and other resources.

Joseph Stewart                      JOSEPH STEWART                      VP, CPO                      1/20/12  
Signature                                      Printed Name                                      Title                                      Date

- REMINDER:** ➤ If you responded "**Yes**" to **SECTION 2, Items c or d**, you must complete an "HSP Good Faith Effort - Method A (Attachment A)" for **each** of the subcontracting opportunities you listed in SECTION 2, Item b.
- If you responded "**No**" **SECTION 2, Items c and d**, you must complete an "HSP Good Faith Effort - Method B (Attachment B)" for **each** of the subcontracting opportunities you listed in SECTION 2, Item b.



# TEXAS LOTTERY COMMISSION

Packaging Supplies



# HSP Good Faith Effort - Method B (Attachment B)

(Rev. 10/11)

Enter your company's name here: Scientific Games Requisition #: 362-12-0001

**IMPORTANT:** If you responded "No" to SECTION 2, Items c and d of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed in SECTION 2, Item b of the completed HSP form. You may photo-copy this page or download the form at <http://www.window.state.tx.us/procurement/prog/hub/hub-forms/HUBSubcontractingPlanAttachment-B.doc>

## SECTION B-1 SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing this attachment.

Item #: 1 Description: Packaging Supplies

## SECTION B-2 MENTOR PROTÉGÉ PROGRAM

If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in SECTION B-1, constitutes a good faith effort to subcontract with a Texas certified HUB towards that specific portion of work.

Check the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé.

- Yes (If Yes, to continue to SECTION B-4.)  
 - No / Not Applicable (If No or Not Applicable, continue to SECTION B-3.)

## SECTION B-3 NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

When completing this section you MUST comply with items a, b, c and d, thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and minority or women trade organizations or development centers about the subcontracting opportunity you listed in SECTION B-1. Your notice should include the scope of work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person.

When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at <http://www.window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan/>

Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and minority or women trade organizations or development centers.

- Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HUBs at least seven (7) working days to respond to the notice prior to your submitting your bid response to the contracting agency. When searching for Texas certified HUBs, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) and Historically Underutilized Business (HUB) Search directory located at <http://www.window.state.tx.us/procurement/cmb/cmbhub.html>. HUB Status code "A" signifies that the company is a Texas certified HUB.
- List the three (3) Texas certified HUBs you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company's Vendor ID (VID) number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

Company Name	VID #	Date Notice Sent (mm/dd/yyyy)	Did the HUB Respond?
Unit Pak Inc.	1751549770300	12 / 02 / 11	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No
ChampTaylor, Inc. (Taylor Packaging)	1010777955400	12 / 02 / 11	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No
Lockridge Packaging, LLC	1760605641800	12 / 05 / 11	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No

- Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to minority or women trade organizations or development centers to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to minority or women trade organizations or development centers at least seven (7) working days prior to submitting your bid response to the contracting agency.

A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program's webpage at <http://www.window.state.tx.us/procurement/prog/hub/mwb-links-1/>

- Enter the name of the minority or women trade organizations or development centers you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the date when you sent notice to it and indicate if it accepted or rejected your notice.

Minority/Women Trade Organizations or Development Centers	Date Notice Sent (mm/dd/yyyy)	Was the Notice Accepted?
Women's Business Council - Southwest	12 / 02 / 11	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No
Southwest Minority Supplier Development	12 / 02 / 11	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No



# HSP Good Faith Effort - Method B (Attachment B) *Cont.*

Enter your company's name here: <u>Scientific Games</u>	Requisition #: <u>362-12-0001</u>
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**SECTION B-4 SUBCONTRACTOR SELECTION**

a. List the subcontractor(s) you selected to perform the subcontracting opportunity you listed in **SECTION B-1**. Also identify whether they are a Texas Certified HUB and their VID number, the approximate dollar value of the work to be subcontracted, the expected percentage of work to be subcontracted, and indicate whether the company is a Texas certified HUB.

Company Name	Texas Certified HUB	VID # <small>(Required If Texas Certified HUB)</small>	Approximate Dollar Amount	Expected Percentage of Contract
Business Assets Enterprises LP (VID# 174317480 9800)	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No	1743174809	\$33,900	0.68%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

b. If any of the subcontractors you have selected to perform the subcontracting opportunity you listed in SECTION B-1 is **not** a Texas certified HUB, provide written justification for your selection process (attach additional page if necessary):

**REMINDER:** As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to all the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity it (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.

# Results for HUBs only Search

CMBL/HUB Vendor Detail	
Vendor ID / Number:	1751549770300 / 87935
HUB Status:	A (HUB on CMBL)
HUB Expire Date:	18-SEP-14
Vendor Name:	UNIT-PAK INCORPORATED
Vendor Address:	P O BOX 7953 WACO, TX 76714-7953 USA
County:	MCLENNAN
Contact:	PRESIDENT/DARLENE NEYHARD
Phone / Fax:	800-792-3232 / 254-776-8770
Email Address:	[REDACTED]
Ethnicity / Gender:	WO / F
Business Description:	Packaging Supplies: Pallet Stretch Wrap(handwrap & machine); Poly Films and Bags; Shrink Films; Carton Sealing Tapes; Corrugated Supplies; Steel & Plastic Strapping & Tools; Full Catalog on web site.
Business Category:	COMMODITIES WHOLESALE/RESELLER (07)
Small Business:	Y

Comptroller's Tax Status This Vendor

Comptroller Lookup Any Vendor

Vendor Performance	Score	# of POs
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:		
Exceptional Performance Reports:		

1 vendor found where vendor name begins with 'unit-pak'.

# Results for HUBs only Search

Tx. Gov't Code  
 §552.137

CMBL/HUB Vendor Detail	
Vendor ID / Number:	1010777955400 / 00549
HUB Status:	A (HUB on CMBL)
HUB Expire Date:	31-MAR-12
Vendor Name:	CHAMPTAYLOR, INC.
Vendor Address:	8802 LA PORTE RD HOUSTON, TX 77012-2643 USA
County:	HARRIS
Contact:	Bernice Williams
Phone / Fax:	713-921-7877 / 713-921-7878
Email Address:	[REDACTED]
Ethnicity / Gender:	BL / F
Business Description:	DISTRIBUTOR OF PACKAGING SUPPLIES AND WAREHOUSE SAFETY SIGNS AND DECALS. BOXES, SLIP SHEETS, TAPE, ETC.
Business Category:	OTHER SERVICES INCLUDING LEGAL SERVICES (06)
Small Business:	Y

Comptroller's Tax Status This Vendor

Comptroller Lookup Any Vendor

Vendor Performance	Score	# of POs
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:		
Exceptional Performance Reports:		

1 vendor found where vendor name begins with 'champtaylor'.

code: 665-82  
 SHRINK FILM PACKAGING EQUIP.  
 & SUPPLIES Tx. Gov't Code  
 §552.137

# Results for HUBs only Search

CMBL/HUB Vendor Detail	
Vendor ID / Number:	1760605641800 / 82996
HUB Status:	A (HUB on CMBL)
HUB Expire Date:	17-FEB-14
Vendor Name:	LOCKRIDGE PACKAGING, LLC
Vendor Address:	P O BOX 2256 FRIENDSWOOD, TX 77549-2256
County:	HARRIS
Contact:	TINA LOCKRIDGE/OWNER
Phone / Fax:	281-992-2552 / 281-992-3141
Email Address:	[REDACTED]
Ethnicity / Gender:	WO / F
Business Description:	Distributor of Packaging, Paper and Janitorial Supplies.
Business Category:	COMMODITIES WHOLESALE/RESELLER (07)
Small Business:	Y

Comptroller's Tax Status This Vendor

Comptroller Lookup Any Vendor

Vendor Performance	Score	# of POs
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:		
Exceptional Performance Reports:		

1 vendor found where vendor name begins with 'Lockridge'.



# Results for HUBs only Search

CMBL/HUB Vendor Detail	
Vendor ID / Number:	1743174809800 / 01077
HUB Status:	<u>A</u> (HUB only)
HUB Expire Date:	01-OCT-12
Vendor Name:	BUSINESS ASSETS ENTERPRISES LP
Vendor Address:	1317 PICADILLY STE C-305 PFLUGERVILLE, TX 78660
County:	TRAVIS
Contact:	Alysia Friday
Phone / Fax:	/
Ethnicity / Gender:	BL / F
Business Description:	MANUFACTURER OF CUSTOM CORRUGATED BOXES; AND MANUFACTURING SERVICE COMPANY.
Business Category:	FINANCIAL AND ACCOUNTING SERVICES (04)
Reason Off CMBL:	<u>N</u>

Comptroller's Tax Status This Vendor

Comptroller Lookup Any Vendor

<u>Vendor Performance</u>	<u>Score</u>	<u># of POs</u>
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:		
Exceptional Performance Reports:		

*1 vendor found where vendor name begins with 'business assets enterprises'.*

Message

Message Tracking Reply Reply to All Forward Delete Move to Folder Create Rule Other Actions Block Sender Not Junk Safe Lists Categorize Follow Up Mark as Unread Find Related Select

Show Respond Actions Junk E-mail Options Find

From: Owens, Lissa Tx. Gov't Code  
 To: Owens, Lissa §552.137  
 Cc:   
 Bcc:   
 Subject: Scientific Games Packaging Supplies Bid Opportunity - 12/2/11

Message TX Lottery - Packaging Supplies rev2 RFQ.docx

Scientific Games, a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers is sourcing qualified, certified HUB's in the state of Texas who can provide the following products and/or services pending a contract award of the Texas Lottery RFP 362-12-0001:

- Packaging Supplies

Please see the attached RFQ (Request for Quotation) and, if interested, provide your response by the deadline of December 13<sup>th</sup>, 2011 – 5:pm CST (Central Standard Time).

Contact me should you have any questions concerning this solicitation.

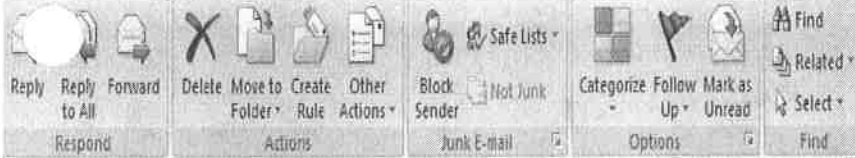
Thank you.

*Lissa J. Owens*  
 Sr. Buyer & Diversity Program Manager  
 Scientific Games  
 (770) 664-3718 office  
 (678) 230-4346 cell  
 (770) 664-3882 fax



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Message



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From: Owens, Lissa

Sent: Mon 12/5/2011 7:58 AM

To: Owens, Lissa

**Tx. Gov't Code**Cc: [REDACTED] **\$552.137**

Subject: FW: Scientific Games Packaging Supplies Bid Opportunity - 12/2/11

Message | TX Lottery - Packaging Supplies rev2 RFQ.docx (111 KB)

Scientific Games, a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers is sourcing qualified, certified HUB's in the state of Texas who can provide the following products and/or services pending a contract award of the Texas Lottery RFP 362-12-0001:

- Packaging Supplies

Please see the attached RFQ (Request for Quotation) and, if interested, provide your response by the deadline of December 13<sup>th</sup>, 2011 – 5:pm CST (Central Standard Time).

*Contact me should you have any questions concerning this solicitation.*

*Thank you.*

**Lissa J. Owens**

Sr. Buyer & Diversity Program Manager

Scientific Games

(770) 664-3718 office

(678) 230-4346 cell

(770) 664-3882 fax



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From: Owens, Lissa  
To: Owens, Lissa  
Cc: [REDACTED]  
Bcc: [REDACTED]  
Subject: Scientific Games Packaging Supplies Bid Opportunity - 12/5/11

Sent: Mon 12/5/2011 1:18 PM

**Tx. Gov't Code  
\$552.137**

Message TX Lottery - Packaging Supplies rev2 12 5 11 RFQ.docx (111 KB)

Scientific Games, a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers is sourcing qualified, certified HUB's in the state of Texas who can provide the following products and/or services pending a contract award of the Texas Lottery RFP 362-12-0001:

- Packaging Supplies

Please see the attached RFQ (Request for Quotation) and, if interested, provide your response by the deadline of December 14<sup>th</sup>, 2011 - 5:pm CST (Central Standard Time).

Contact me should you have any questions concerning this solicitation.

Thank you.

**Lissa J. Owens**

Sr. Buyer & Diversity Program Manager

Scientific Games

(770) 664-3718 office

(678) 230-4346 cell

(770) 664-3882 fax



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Owens, Lissa

Tx. Gov't Code  
§552.137

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**From:** Maggie Trevino  
**To:** Owens, Lissa  
**Sent:** Friday, December 02, 2011 5:23 PM  
**Subject:** Read: Scientific Games Packaging Supplies Bid Opportunity - 12/2/11

Your message

To: [REDACTED]  
Subject:

Tx. Gov't Code  
§552.137

was read on 12/2/2011 5:23 PM.

## Owens, Lissa

---

**From:** Debbie Barnard [REDACTED] Tx. Gov't Code  
**To:** Owens, Lissa §552.137  
**Sent:** Friday, December 02, 2011 5:13 PM  
**Subject:** Read: Scientific Games Packaging Supplies Bid Opportunity - 12/2/11

Your message

**To:** [REDACTED] Tx. Gov't Code  
**Subject:** §552.137

was read on 12/2/2011 5:13 PM.



# Scientific Games International, Inc. Request for Qualifications (RFQ)

## Packaging Supplies

12/02/11

### 1. Introduction

#### 1.1 Background

Scientific Games Corporation (Scientific Games or SG) is a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers. The Company's products and products include instant lottery games, lottery gaming systems, terminals and products, and Internet applications, as well as server-based interactive gaming machines and associated gaming control systems. SG is divided into three business segments: Printed Products Group, Lottery Systems Group and Diversified Gaming Group. Printed Products Group is a provider of instant lottery tickets in the world. The Company's Lottery Systems Group is a provider of customized computer software, software support, equipment and data communication products to lotteries. Its Diversified Gaming Group provides products and systems to private and public operators in the wide area gaming industry.

#### 1.2 Intent & Objective of the RFQ

The intent & objective of this RFQ is to identify capable, qualified, experienced and cost competitive suppliers including certified Historically Underutilized Businesses (HUB's) in the state of Texas who can provide **Packaging Supplies (Corrugated, Stretch Film, Tape)** contingent upon SG being awarded a contract under Texas Lottery RFP 362-12-0001. SG is requesting proposals for these products and if awarded the Texas Lottery Commission (TLC) contract, SG will then proceed with finalizing an award of this RFQ.

SG may award one or more Subcontracts as a result of this procurement. Following notification of award and subsequent successful negotiation if required, SG intends to enter into a Subcontract with the Successful Bidder(s) and the Successful Bidder(s) will then be a Subcontractor to SG.

### 2. Scope

#### 2.1 Scope

The information below is intended to give the Supplier an idea of the overall scope required as part of this RFQ. The products outlined are **estimates only** and do not constitute volume guarantees or commitments. SG will further refine its needs prior to award and communicate those to selected Supplier(s).

#### 2.2 Product Specifications: Corrugated Boxes

SG SKU#	DIMENSIONS & SPECS	ANNUAL QTY EACH
03-100-0001	12 3/4 x 9 3/8 x 10, 32 ECT 2P 1C	24,000
03-122-0010	12 3/4 x 8 1/2 x 12 1/4 32 ECT 2P 1C	19,500
03-825-0030	12 3/4 X 11 1/2 X 8 1/4 32 ECT C FL. 2 1C	66,500
03-600-0067	12 3/4 X 11 1/2 X 6 32 ECT C FL. 2P 1C	21,500

ECT = Edge Crush Test  
 2P = printed on 2 panels (sides)  
 1C = 1 color  
 Average Order Quantity = 1500

**2.3 Product Specifications: Stretch Film**

SG SKU#	Description	Estimated Annual Quantity
01-100-4005	Stretch Film, 70 Ga., 2X Stretch Min., 20" x 5000 Ft/RI (Specify Manufacturer and Manufacturer's Number Quoted)	50
04-100-4110	Strapping, 1028 HR Nylon, 5/8" x 3600 Ft, .030 Thick (Specify Manufacturer and Manufacturer's Number Quoted)	25

**2.4 Product Specifications: Tape**

SG SKU#	Description	Estimated Annual Quantity
03-100-3015	Tape, Clear Carton Sealing, 3M# 371, 48mm x 914mm, 6 Rls/Cs (371-1000-C)	200

**2.4 Other Specifications**

- Boxes should be flattened, slip sheeted, strapped and bundled.
- Ship to Location: Alpharetta, Georgia

**3. Instructions to Suppliers**

**3.1 RFQ Responses & Submission of Proposals**

**A. Suppliers should submit:**

- An email to SG Contact indicated in Section 3.3 by the RFQ deadline, with the electronic proposal as an attachment

**B. Proposals must include the following:**

- Completed Appendix A – Qualitative Questions
- Completed Appendix B – Proposal Response
- Attached Supporting Documentation for the above

**3.2 RFQ Process and Timing**

The timeline for this RFQ process is aggressive; proposals are due by COB on the date listed below. SG in its sole discretion may enter into contract negotiations/discussions with the Supplier(s) who submit proposals found to best meet the needs of this initiative.

Potential Suppliers are advised to review all sections of this RFQ carefully and to follow instructions completely, failure to make a complete submission as described elsewhere herein may result in rejection of the proposal and disqualification of the Supplier from further participation.

Proposals that depart from or materially alter the terms, requirements, or scope of work defined by this RFQ may be rejected for being non-responsive.

**Table 3.2 Key RFQ Dates:**

Activity	Date
RFQ sent out to suppliers	December 2, 2011
Supplier Response Deadline	December 13, 2011 – 5pm CST
Supplier Selection – Notice of Intent to Award <ul style="list-style-type: none"> <li>• Contract contingent upon TLC RFP Award, SG Compliance Review and mutual acceptance of Terms &amp; Conditions</li> </ul>	December 20, 2011



### 3.3 Communications, Inquiries and Questions

Your interest in working with SG is welcomed; however, SG will only answer submitted questions if SG solely determines the question is critical to the success of the RFQ process. Responses will be circulated to all bidders. During the period from your company's receipt of this RFQ until a contract is awarded, ANY and ALL communication, including questions, concerning this RFQ should ONLY be directed to the RFQ Administrator specified below.

Contact: Lissa Owens  
Scientific Games  
Procurement Department  
Email: lissa.owens@scientificgames.com  
Phone: (770) 664-3718

When submitting an e-mail, please include the RFQ NAME and your company name in the subject heading of the message. Inquiries should make specific reference to the sections and page numbers from this RFQ, where applicable.

## 4. RFQ Terms and Conditions

It is consented that by submitting a proposal, the Supplier is in agreement with the following RFQ terms and conditions. If there is an objection to these terms, the Supplier must note those objections in their response.

### 4.1 Contracting Period

A contract will be contingent upon;

- SG being awarded the Texas Lottery contract referenced in this RFQ
- Selected suppliers passing SG's internal Compliance with Law and Background Screening
- SG and Supplier mutually agreeing upon Terms and Conditions

The contracted products are anticipated to begin in *July 1, 2012*. All awarded subcontracting opportunities are for one (1) year with options to renew.

### 4.2 Invoicing and Payment Processing

Invoice charges must match agreed-upon contract pricing. All invoices should show all applicable charges. Invoices should have capability to be submitted in both printed form and Electronic Data Interchange (EDI) or Internet standard formats. Invoices shall be payable by SG thirty (30) days after receipt. In the event of a legitimate dispute with regard to errors on an invoice, SG has the right to withhold payment of any disputed amount on such invoice while the parties attempt to resolve the disputed amount in accordance with the dispute resolution procedures specified in the contract.

### 4.3 Insurance

SG is either self-insured or maintains a coverage policy; therefore, all bids must be exclusive of insurance costs. Supplier shall at all times during the term of this agreement have and maintain in full force and effect the following insurance coverage with reliable insurance companies acceptable to SG:

- a) Bodily Injury and Property Damage (\$1 million comprehensive)
- b) Commercial Auto Liability with Bodily Injury and Property Damage, including Owned, Non-Owned and Hired Auto Liability (\$500,000)
- c) Statutory Workers' Compensation as required by applicable law and Employer's Liability (or state approved self-insurance).

Supplier shall also provide SG additional insured status and waiver of subrogation in SG's favor

### 4.4 Duration and Availability of Proposed Prices

The prices, terms and conditions specified in the Supplier's proposal must be valid for a period of one hundred twenty (120) days from the due date of the proposals. Once a contract is signed, the prices must remain valid for the term of that contract and any subsequent extension(s); unless SG agrees in writing that the pricing should be modified.

#### **4.5 Statement of Non-Commitment**

This RFQ is not an offer to enter into an agreement with any Supplier; it is a request to receive proposals from Suppliers interested in providing SG products and products specified within. SG reserves the right to reject all proposals, in whole or in part, and/or enter into discussions with any party to provide such products. SG will not have any obligation to the Supplier unless and until it has entered into a written agreement with the Supplier on terms and conditions satisfactory to SG. SG entering into negotiations with the Supplier with respect to any proposal or otherwise shall not be deemed to be an acceptance of such proposal or an agreement with the Supplier. Supplier-specific information (such as names, contact information, or pricing data) is used solely for Supplier selection on behalf of SG.

#### **4.6 Supplier Demonstration of Proposed Capabilities, Products and/or Products**

At the discretion of SG, the Supplier must be prepared to provide any evidence of experience, performance, ability, and/or financial surety that SG deems necessary to fully establish the performance capabilities represented in their proposal. Any required confirmation must be provided in writing to SG without cost to SG.

#### **4.7 Ownership of Proposals**

Proposals and any other materials submitted by a Bidder in response to this RFQ will become the exclusive property of SG upon receipt and will not be returned.

#### **4.8 Execution of Contract**

Once the evaluation of the proposals and the Supplier selection are complete, the selected proposal(s), if any, and this RFQ will serve as the basis for a contract that will be negotiated and executed between SG and the selected Supplier(s). This RFQ and the proposal will likely be attached to the contract as exhibits.

#### **4.9 Oral Agreements or Arrangements**

Any alleged oral agreements or arrangements made by the Supplier with any SG agent or employee will be disregarded in any proposal evaluation or associated award.

#### **4.10 Independent Price Determinants**

The Supplier shall warrant, represent, and certify that the following requirements have been met in connection with their proposal for this RFQ:

The prices proposed have been arrived at independently, without consultation, communication, or agreement for the purpose of restricting competition as to any matter relating to such process with any other organization or with any competitor; unless otherwise required by law, the pricing proposed has not been knowingly disclosed by the Supplier on a prior basis directly or indirectly to any other organization or to any competitor; and no attempt has been made, or will be made, by the proposed to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

#### **4.11 Payments Against a Contract Award**

Under no circumstances shall the successful Supplier begin to perform under a contract prior to the effective date of such contract. SG shall assume no liability for payments under the terms of the contract until the successful Supplier is notified that the contract has been accepted by SG. In no case shall a successful Supplier bill SG prices in excess of the price indicated in the final contract agreed to and accepted by SG. Any authorized or agreed additional charges can only be approved for payment by means of an amendment to the contract.

#### **4.12 No SG Liability for Proposal Costs**

SG is not liable for any costs incurred by Bidders as a result of responding to this RFQ.

#### **4.13 Proposal Disclosure Prohibition**

Disclosure of Proposal contents by a Bidder to any third party prior to Subcontract Award in this procurement may result in disqualification.

#### **4.14 Conflict of Interest**

A Bidder shall not give money or any other thing of value to members of SG's evaluation committee or to any employee of SG.

#### **4.15 Approval of Subcontract**

The Texas Department of Revenue, Lottery Division, retains the right to approve each Subcontractor. Such approval shall not be unreasonably withheld.

#### **4.16 Probity Investigations of Subcontractor**

The Texas Department of Revenue, Lottery Division, shall have the right to conduct probity investigations of any Subcontractor prior to and during the term of its Subcontract with SG.

#### **4.17 SG' Right to Audit and Access to Records, Record Keeping and Record Transfer**

The Supplier shall prepare, maintain and preserve all records with respect to the administration of this program. During the term of the contract, SG shall have access during normal business hours to all such records, in whatever form they exist or are stored. The Supplier shall afford the officers, attorneys, accountants, auditors, and other authorized representatives of SG free and full access to the records to be maintained by the Supplier pertinent to the RFQ.

At the option of SG, periodic audits may, at reasonable times, be made of the successful Suppliers' and all of their sub-contractors' books and records insofar as they pertain to the contract. Such audits shall be made at SG's expense by SG, or independent public accountants designated by SG. Said books and records shall be made available by the Supplier to the Auditors of SG. In the case that any discrepancy or breach of contract is discovered, all auditing expenses will be charged to the Supplier in addition to any legal settlements.

#### **4.18 Confidentiality and Care of Data**

The Supplier agrees to protect the confidentiality of any files, data or other materials pertaining to this RFQ and any resulting contract and to restrict their use solely for the purpose of completing this RFQ or fulfilling a resulting contract. The Supplier shall take all steps necessary to safeguard data, files, reports or other information from loss, destruction or erasure. Any costs or expenses of replacing or damages resulting from the loss of such data shall be borne by the Supplier when such loss or damage occurred through its negligence.

#### **4.19 Compliance with Law and Background Screening**

Supplier specifically acknowledges that SG is subject to the gaming and licensing requirements of various jurisdictions and is obliged to take reasonable efforts to determine the suitability of its business associates. Supplier agrees to cooperate fully with SG in providing it with any information, of whatever nature, that SG deems necessary or appropriate in assuring itself that Supplier possesses the good character, honesty, integrity, and reputation applicable to those engaged in the gaming industry and Supplier specifically represents that there is nothing in Supplier's background, history, or reputation that would be deemed unsuitable under the standards applicable to the gaming industry. If, during the term of any Agreement, SG is notified by any regulatory agency that the conduct of business with Supplier will jeopardize SG, or its affiliates', license or ability to be licensed or if SG concludes that Supplier fails to meet the above criteria, this Agreement shall terminate upon written notice by SG.

In addition, by responding to this RFQ Supplier represents and warrants, and, if selected shall be expected to provide representations and warranties in any contract entered into between the parties concerning, compliance with all laws, including but not limited to, applicable anti-corruption, competition, licensing, and registration laws, including the Foreign Corrupt Practices Act (FCPA); and with any applicable laws, regulations, and administrative requirements promulgated under the OECD Convention on Combating Bribery of Foreign Public Officials; and other similar representations and warranties.

Individual Supplier employees or subcontractors assigned to perform products at or on behalf of Supplier and who are to be granted (a) unescorted physical access rights to any Supplier's facility (as determined by SG), or (b) any local or remote network access rights, must submit to and pass SG standard state and federal felony and misdemeanor records screening. Screening shall include social security verification and corresponding information attached to the social security number. County and or municipal checks shall be conducted as required or to further obtain charge or case specifics and determine eligibility for work. Certain Products performed by Supplier may also require credit history screening and or national records screening via fingerprint card applications sent to the FBI/DOJ for processing as dictated by SG' customer contract requirements. Follow up searches may be conducted annually thereafter.

## Appendix A: Qualitative Questions

All respondents must answer questions 1-7 in the table below. Please enter your responses using as much space as necessary.

No.	Question	Response
1	Provide the official contact person (including name, phone, fax, e-mail address) with whom SG shall communicate regarding this RFQ.	
2	Provide your Texas Payee ID or Federal ID Number	
3	Confirm your company status as either a; certified HUB in the state of Texas, or a Minority or Woman Trade Organization. <u>Attach valid certificates and/or supporting documentation.</u>	
4	Indicate whether your firm has been or is the subject of a bankruptcy or insolvency proceeding or subject of assignment for benefit of creditors.	
5	Please provide a brief background on your company, including information on how long your company has been in business, ownership structure, location of your offices, and number of employees.	
6	Please confirm you have the State licenses, permits, certificates and authorizations needed to provide these products.	
7	<p>Supply a minimum of two (2) references that will attest to your ability (in the last three years) to provide products similar in scope to those outlined. For each reference, provide the following information:</p> <ul style="list-style-type: none"> <li>• The client organization's name, mailing address, contact name, telephone number and email address</li> <li>• The approximate period during which the products were provided</li> <li>• A summary of the type, quantity, and scope s</li> </ul>	

**Appendix B: Proposal Response**

**CORRUGATED BOXES**

<b>SG SKU#</b>	<b>DIMENSIONS &amp; SPECS</b>	<b>ANNUAL QTY EACH</b>	<b>PRICE/BOX</b>
03-100-0001	12 3/4 x 9 3/8 x 10, 32 ECT 2P 1C	24,000	
03-122-0010	12 3/4 x 8 1/2 x 12 1/4 32 ECT 2P 1C	19,500	
03-825-0030	12 3/4 X 11 1/2 X 8 1/4 32 ECT C FL. 2P1C	66,500	
03-600-0067	12 3/4 X 11 1/2 X 6 32 ECT C FL. 2P 1C	21,500	
	<b>TOTAL PRICE</b>		

**STRETCH FILM**

<b>SG SKU#</b>	<b>DIMENSIONS &amp; SPECS</b>	<b>ANNUAL QTY EACH</b>	<b>PRICE/EACH</b>
04-100-4005	Stretch Film, 70 Ga., 2X Stretch Min., 20" x 5000 Ft/RI (Specify Manufacturer and Manufacturer's Number Quoted)	50	
04-100-4110	Strapping, 1028 HR Nylon, 5/8" x 3600 Ft, .030 Thick (Specify Manufacturer and Manufacturer's Number Quoted)	25	
	<b>TOTAL PRICE</b>		

**TAPE**

<b>SG SKU#</b>	<b>DIMENSIONS &amp; SPECS</b>	<b>ANNUAL QTY EACH</b>	<b>PRICE/EACH</b>
03-100-3015	Tape, Carton Sealing, Clear, 3M# 371, 48mm x 914mm, 6 RI/Cs (371-1000-C)		
	<b>TOTAL PRICE</b>		

Company Name	Date
Contact Name	Signature





# Scientific Games International, Inc. Request for Qualifications (RFQ)

## Packaging Supplies

12/05/11

### 1. Introduction

#### 1.1 Background

Scientific Games Corporation (Scientific Games or SG) is a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers. The Company's products and products include instant lottery games, lottery gaming systems, terminals and products, and Internet applications, as well as server-based interactive gaming machines and associated gaming control systems. SG is divided into three business segments: Printed Products Group, Lottery Systems Group and Diversified Gaming Group. Printed Products Group is a provider of instant lottery tickets in the world. The Company's Lottery Systems Group is a provider of customized computer software, software support, equipment and data communication products to lotteries. Its Diversified Gaming Group provides products and systems to private and public operators in the wide area gaming industry.

#### 1.2 Intent & Objective of the RFQ

The intent & objective of this RFQ is to identify capable, qualified, experienced and cost competitive suppliers including certified Historically Underutilized Businesses (HUB's) in the state of Texas who can provide **Packaging Supplies (Corrugated, Stretch Film, Tape)** contingent upon SG being awarded a contract under Texas Lottery RFP 362-12-0001. SG is requesting proposals for these products and if awarded the Texas Lottery Commission (TLC) contract, SG will then proceed with finalizing an award of this RFQ.

SG may award one or more Subcontracts as a result of this procurement. Following notification of award and subsequent successful negotiation if required, SG intends to enter into a Subcontract with the Successful Bidder(s) and the Successful Bidder(s) will then be a Subcontractor to SG.

### 2. Scope

#### 2.1 Scope

The information below is intended to give the Supplier an idea of the overall scope required as part of this RFQ. The products outlined are **estimates only** and do not constitute volume guarantees or commitments. SG will further refine its needs prior to award and communicate those to selected Supplier(s).

#### 2.2 Product Specifications: Corrugated Boxes

SG SKU#	DIMENSIONS & SPECS	ANNUAL QTY EACH
03-100-0001	12 3/4 x 9 3/8 x 10, 32 ECT 2P 1C	24,000
03-122-0010	12 3/4 x 8 1/2 x 12 1/4 32 ECT 2P 1C	19,500
03-825-0030	12 3/4 X 11 1/2 X 8 1/4 32 ECT C FL. 2 1C	66,500
03-600-0067	12 3/4 X 11 1/2 X 6 32 ECT C FL. 2P 1C	21,500

ECT = Edge Crush Test  
 2P = printed on 2 panels (sides)  
 1C = 1 color  
 Average Order Quantity = 1500

### 2.3 Product Specifications: Stretch Film

SG SKU#	Description	Estimated Annual Quantity
01-100-4005	Stretch Film, 70 Ga., 2X Stretch Min., 20" x 5000 Ft/RI (Specify Manufacturer and Manufacturer's Number Quoted)	50
04-100-4110	Strapping, 1028 HR Nylon, 5/8" x 3600 Ft, .030 Thick (Specify Manufacturer and Manufacturer's Number Quoted)	25

### 2.4 Product Specifications: Tape

SG SKU#	Description	Estimated Annual Quantity
03-100-3015	Tape, Clear Carton Sealing, 3M# 371, 48mm x 914mm, 6 Rls/Cs (371-1000-C)	200

### 2.4 Other Specifications

- Boxes should be flattened, slip sheeted, strapped and bundled.
- Ship to Location: Alpharetta, Georgia

## 3. Instructions to Suppliers

### 3.1 RFQ Responses & Submission of Proposals

#### A. Suppliers should submit:

- An email to SG Contact indicated in Section 3.3 by the RFQ deadline, with the electronic proposal as an attachment

#### B. Proposals must include the following:

- Completed Appendix A – Qualitative Questions
- Completed Appendix B – Proposal Response
- Attached Supporting Documentation for the above

### 3.2 RFQ Process and Timing

The timeline for this RFQ process is aggressive; proposals are due by COB on the date listed below. SG in its sole discretion may enter into contract negotiations/discussions with the Supplier(s) who submit proposals found to best meet the needs of this initiative.

Potential Suppliers are advised to review all sections of this RFQ carefully and to follow instructions completely, failure to make a complete submission as described elsewhere herein may result in rejection of the proposal and disqualification of the Supplier from further participation.

Proposals that depart from or materially alter the terms, requirements, or scope of work defined by this RFQ may be rejected for being non-responsive.

**Table 3.2 Key RFQ Dates:**

Activity	Date
RFQ sent out to suppliers	December 5, 2011
Supplier Response Deadline	December 14, 2011 – 5pm CST
Supplier Selection – Notice of Intent to Award <ul style="list-style-type: none"> <li>• Contract contingent upon TLC RFP Award, SG Compliance Review and mutual acceptance of Terms &amp; Conditions</li> </ul>	December 20, 2011

### 3.3 Communications, Inquiries and Questions

Your interest in working with SG is welcomed; however, SG will only answer submitted questions if SG solely determines the question is critical to the success of the RFQ process. Responses will be circulated to all bidders. During the period from your company's receipt of this RFQ until a contract is awarded, ANY and ALL communication, including questions, concerning this RFQ should ONLY be directed to the RFQ Administrator specified below.

Contact: Lissa Owens  
Scientific Games  
Procurement Department  
Email: lissa.owens@scientificgames.com  
Phone: (770) 664-3718

When submitting an e-mail, please include the RFQ NAME and your company name in the subject heading of the message. Inquiries should make specific reference to the sections and page numbers from this RFQ, where applicable.

## 4. RFQ Terms and Conditions

It is consented that by submitting a proposal, the Supplier is in agreement with the following RFQ terms and conditions. If there is an objection to these terms, the Supplier must note those objections in their response.

### 4.1 Contracting Period

A contract will be contingent upon;

- SG being awarded the Texas Lottery contract referenced in this RFQ
- Selected suppliers passing SG's internal Compliance with Law and Background Screening
- SG and Supplier mutually agreeing upon Terms and Conditions

The contracted products are anticipated to begin in *July 1, 2012*. All awarded subcontracting opportunities are for one (1) year with options to renew.

### 4.2 Invoicing and Payment Processing

Invoice charges must match agreed-upon contract pricing. All invoices should show all applicable charges. Invoices should have capability to be submitted in both printed form and Electronic Data Interchange (EDI) or Internet standard formats. Invoices shall be payable by SG thirty (30) days after receipt. In the event of a legitimate dispute with regard to errors on an invoice, SG has the right to withhold payment of any disputed amount on such invoice while the parties attempt to resolve the disputed amount in accordance with the dispute resolution procedures specified in the contract.

### 4.3 Insurance

SG is either self-insured or maintains a coverage policy; therefore, all bids must be exclusive of insurance costs. Supplier shall at all times during the term of this agreement have and maintain in full force and effect the following insurance coverage with reliable insurance companies acceptable to SG:

- a) Bodily Injury and Property Damage (\$1 million comprehensive)
- b) Commercial Auto Liability with Bodily Injury and Property Damage, including Owned, Non-Owned and Hired Auto Liability (\$500,000)
- c) Statutory Workers' Compensation as required by applicable law and Employer's Liability (or state approved self-insurance).

Supplier shall also provide SG additional insured status and waiver of subrogation in SG's favor

### 4.4 Duration and Availability of Proposed Prices

The prices, terms and conditions specified in the Supplier's proposal must be valid for a period of one hundred twenty (120) days from the due date of the proposals. Once a contract is signed, the prices must remain valid for the term of that contract and any subsequent extension(s); unless SG agrees in writing that the pricing should be modified.

#### **4.5 Statement of Non-Commitment**

This RFQ is not an offer to enter into an agreement with any Supplier; it is a request to receive proposals from Suppliers interested in providing SG products and products specified within. SG reserves the right to reject all proposals, in whole or in part, and/or enter into discussions with any party to provide such products. SG will not have any obligation to the Supplier unless and until it has entered into a written agreement with the Supplier on terms and conditions satisfactory to SG. SG entering into negotiations with the Supplier with respect to any proposal or otherwise shall not be deemed to be an acceptance of such proposal or an agreement with the Supplier. Supplier-specific information (such as names, contact information, or pricing data) is used solely for Supplier selection on behalf of SG.

#### **4.6 Supplier Demonstration of Proposed Capabilities, Products and/or Products**

At the discretion of SG, the Supplier must be prepared to provide any evidence of experience, performance, ability, and/or financial surety that SG deems necessary to fully establish the performance capabilities represented in their proposal. Any required confirmation must be provided in writing to SG without cost to SG.

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#### **4.8 Execution of Contract**

Once the evaluation of the proposals and the Supplier selection are complete, the selected proposal(s), if any, and this RFQ will serve as the basis for a contract that will be negotiated and executed between SG and the selected Supplier(s). This RFQ and the proposal will likely be attached to the contract as exhibits.

#### **4.9 Oral Agreements or Arrangements**

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#### **4.10 Independent Price Determinants**

The Supplier shall warrant, represent, and certify that the following requirements have been met in connection with their proposal for this RFQ:

The prices proposed have been arrived at independently, without consultation, communication, or agreement for the purpose of restricting competition as to any matter relating to such process with any other organization or with any competitor; unless otherwise required by law, the pricing proposed has not been knowingly disclosed by the Supplier on a prior basis directly or indirectly to any other organization or to any competitor; and no attempt has been made, or will be made, by the proposed to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

#### **4.11 Payments Against a Contract Award**

Under no circumstances shall the successful Supplier begin to perform under a contract prior to the effective date of such contract. SG shall assume no liability for payments under the terms of the contract until the successful Supplier is notified that the contract has been accepted by SG. In no case shall a successful Supplier bill SG prices in excess of the price indicated in the final contract agreed to and accepted by SG. Any authorized or agreed additional charges can only be approved for payment by means of an amendment to the contract.

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SG is not liable for any costs incurred by Bidders as a result of responding to this RFQ.

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The Texas Department of Revenue, Lottery Division, retains the right to approve each Subcontractor. Such approval shall not be unreasonably withheld.

#### **4.16 Probity Investigations of Subcontractor**

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The Supplier shall prepare, maintain and preserve all records with respect to the administration of this program. During the term of the contract, SG shall have access during normal business hours to all such records, in whatever form they exist or are stored. The Supplier shall afford the officers, attorneys, accountants, auditors, and other authorized representatives of SG free and full access to the records to be maintained by the Supplier pertinent to the RFQ.

At the option of SG, periodic audits may, at reasonable times, be made of the successful Suppliers' and all of their sub-contractors' books and records insofar as they pertain to the contract. Such audits shall be made at SG's expense by SG, or independent public accountants designated by SG. Said books and records shall be made available by the Supplier to the Auditors of SG. In the case that any discrepancy or breach of contract is discovered, all auditing expenses will be charged to the Supplier in addition to any legal settlements.

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The Supplier agrees to protect the confidentiality of any files, data or other materials pertaining to this RFQ and any resulting contract and to restrict their use solely for the purpose of completing this RFQ or fulfilling a resulting contract. The Supplier shall take all steps necessary to safeguard data, files, reports or other information from loss, destruction or erasure. Any costs or expenses of replacing or damages resulting from the loss of such data shall be borne by the Supplier when such loss or damage occurred through its negligence.

#### **4.19 Compliance with Law and Background Screening**

Supplier specifically acknowledges that SG is subject to the gaming and licensing requirements of various jurisdictions and is obliged to take reasonable efforts to determine the suitability of its business associates. Supplier agrees to cooperate fully with SG in providing it with any information, of whatever nature, that SG deems necessary or appropriate in assuring itself that Supplier possesses the good character, honesty, integrity, and reputation applicable to those engaged in the gaming industry and Supplier specifically represents that there is nothing in Supplier's background, history, or reputation that would be deemed unsuitable under the standards applicable to the gaming industry. If, during the term of any Agreement, SG is notified by any regulatory agency that the conduct of business with Supplier will jeopardize SG, or its affiliates', license or ability to be licensed or if SG concludes that Supplier fails to meet the above criteria, this Agreement shall terminate upon written notice by SG.

In addition, by responding to this RFQ Supplier represents and warrants, and, if selected shall be expected to provide representations and warranties in any contract entered into between the parties concerning, compliance with all laws, including but not limited to, applicable anti-corruption, competition, licensing, and registration laws, including the Foreign Corrupt Practices Act (FCPA); and with any applicable laws, regulations, and administrative requirements promulgated under the OECD Convention on Combating Bribery of Foreign Public Officials; and other similar representations and warranties.

Individual Supplier employees or subcontractors assigned to perform products at or on behalf of Supplier and who are to be granted (a) unescorted physical access rights to any Supplier's facility (as determined by SG), or (b) any local or remote network access rights, must submit to and pass SG standard state and federal felony and misdemeanor records screening. Screening shall include social security verification and corresponding information attached to the social security number. County and or municipal checks shall be conducted as required or to further obtain charge or case specifics and determine eligibility for work. Certain Products performed by Supplier may also require credit history screening and or national records screening via fingerprint card applications sent to the FBI/DOJ for processing as dictated by SG' customer contract requirements. Follow up searches may be conducted annually thereafter.

## Appendix A: Qualitative Questions

All respondents must answer questions 1-7 in the table below. Please enter your responses using as much space as necessary.

No.	Question	Response
1	Provide the official contact person (including name, phone, fax, e-mail address) with whom SG shall communicate regarding this RFQ.	
2	Provide your Texas Payee ID or Federal ID Number	
3	Confirm your company status as either a; certified HUB in the state of Texas, or a Minority or Woman Trade Organization. <u>Attach valid certificates and/or supporting documentation.</u>	
4	Indicate whether your firm has been or is the subject of a bankruptcy or insolvency proceeding or subject of assignment for benefit of creditors.	
5	Please provide a brief background on your company, including information on how long your company has been in business, ownership structure, location of your offices, and number of employees.	
6	Please confirm you have the State licenses, permits, certificates and authorizations needed to provide these products.	
7	<p>Supply a minimum of two (2) references that will attest to your ability (in the last three years) to provide products similar in scope to those outlined. For each reference, provide the following information:</p> <ul style="list-style-type: none"> <li>• The client organization's name, mailing address, contact name, telephone number and email address</li> <li>• The approximate period during which the products were provided</li> <li>• A summary of the type, quantity, and scope s</li> </ul>	



## Appendix B: Proposal Response

### CORRUGATED BOXES

SG SKU#	DIMENSIONS & SPECS	ANNUAL QTY EACH	PRICE/BOX
03-100-0001	12 3/4 x 9 3/8 x 10, 32 ECT 2P 1C	24,000	
03-122-0010	12 3/4 x 8 1/2 x 12 1/4 32 ECT 2P 1C	19,500	
03-825-0030	12 3/4 X 11 1/2 X 8 1/4 32 ECT C FL. 2P1C	66,500	
03-600-0067	12 3/4 X 11 1/2 X 6 32 ECT C FL. 2P 1C	21,500	
	<b>TOTAL PRICE</b>		

### STRETCH FILM

SG SKU#	DIMENSIONS & SPECS	ANNUAL QTY EACH	PRICE/EACH
04-100-4005	Stretch Film, 70 Ga., 2X Stretch Min., 20" x 5000 Ft/RI (Specify Manufacturer and Manufacturer's Number Quoted)	50	
04-100-4110	Strapping, 1028 HR Nylon, 5/8" x 3600 Ft, .030 Thick (Specify Manufacturer and Manufacturer's Number Quoted)	25	
	<b>TOTAL PRICE</b>		

### TAPE

SG SKU#	DIMENSIONS & SPECS	ANNUAL QTY EACH	PRICE/EACH
03-100-3015	Tape, Carton Sealing, Clear, 3M# 371, 48mm x 914mm, 6 RI/Cs (371-1000-C)		
	<b>TOTAL PRICE</b>		

Company Name	Date
Contact Name	Signature



**TEXAS LOTTERY  
COMMISSION**

**Ink Supplies**



# HSP Good Faith Effort - Method B (Attachment B)

(Rev. 10/11)

Enter your company's name here: Scientific Games

Requisition #: 362-12-0001

**IMPORTANT:** If you responded "No" to SECTION 2, items c and d of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed in SECTION 2, item b of the completed HSP form. You may photo-copy this page or download the form at <http://www.window.state.tx.us/procurement/prog/hub/hub-forms/HUBSubcontractingPlanAttachment-B.doc>

## SECTION B-1 SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing this attachment.

Item #: 2 Description: Ink Supplies

## SECTION B-2 MENTOR PROTÉGÉ PROGRAM

If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in SECTION B-1, constitutes a good faith effort to subcontract with a Texas certified HUB towards that specific portion of work.

Check the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé.

- Yes (If Yes, to continue to SECTION B-4.)
- No / Not Applicable (If No or Not Applicable, continue to SECTION B-3.)

## SECTION B-3 NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

When completing this section you **MUST** comply with items a, b, c and d, thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and minority or women trade organizations or development centers about the subcontracting opportunity you listed in SECTION B-1. Your notice should include the scope of work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person.

When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at <http://www.window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan/>

Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and minority or women trade organizations or development centers.

- a. Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HUBs at least seven (7) working days to respond to the notice prior to your submitting your bid response to the contracting agency. When searching for Texas certified HUBs, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) and Historically Underutilized Business (HUB) Search directory located at <http://www.window.state.tx.us/procurement/cmb/cmbhub.html>. HUB Status code "A" signifies that the company is a Texas certified HUB.
- b. List the three (3) Texas certified HUBs you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company's Vendor ID (VID) number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

Company Name	VID #	Date Notice Sent (mm/dd/yyyy)	Did the HUB Respond?
World Wide Imaging Supplies	1204994012000	01 / 05 / 12	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No
Casada Industrial	1742740986100	01 / 05 / 12	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No
Imagery Graphics Systems Inc.	1742655266100	01 / 05 / 12	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No

- c. Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to minority or women trade organizations or development centers to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to minority or women trade organizations or development centers at least seven (7) working days prior to submitting your bid response to the contracting agency.

A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program's webpage at <http://www.window.state.tx.us/procurement/prog/hub/mwb-links-1/>

- d. Enter the name of the minority or women trade organizations or development centers you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the date when you sent notice to it and indicate if it accepted or rejected your notice.

Minority/Women Trade Organizations or Development Centers	Date Notice Sent (mm/dd/yyyy)	Was the Notice Accepted?
American Indian Chamber of Commerce - TX	12 / 03 / 11	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No
Women's Business Enterprise Alliance	12 / 03 / 11	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No

# HSP Good Faith Effort - Method B (Attachment B) *Cont.*

Enter your company's name here: Scientific Games

Requisition #: 362-12-0001

## SECTION B-4 SUBCONTRACTOR SELECTION

- a. List the subcontractor(s) you selected to perform the subcontracting opportunity you listed in SECTION B-1. Also identify whether they are a Texas Certified HUB and their VID number, the approximate dollar value of the work to be subcontracted, the expected percentage of work to be subcontracted, and indicate whether the company is a Texas certified HUB.

Company Name	Texas Certified HUB	VID # <small>(Required if Texas Certified HUB)</small>	Approximate Dollar Amount	Expected Percentage of Contract
Business Assets Enterprises LP (VID# 1743174809)	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No	1743174809	\$627,000	12.54%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

- b. If any of the subcontractors you have selected to perform the subcontracting opportunity you listed in SECTION B-1 is **not** a Texas certified HUB, provide written justification for your selection process (attach additional page if necessary):

**REMINDER:** As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to **all** the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity it (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.

code: 700-57  
 Printing Accessories + Supplies (INX)

Tx. Gov't Code  
 §552.137

# Results for HUBs only Search

CMBL/HUB Vendor Detail	
Vendor ID / Number:	1204994012000 / 49485
HUB Status:	A (HUB on CMBL)
HUB Expire Date:	24-FEB-15
Vendor Name:	WORLD WIDE IMAGING SUPPLIES
Vendor Address:	P.O. BOX 591220 SAN ANTONIO, TX 78259-0110 USA
County:	BEXAR
Contact:	Pamela Ayon
Phone / Fax:	210-495-5400 / 210-495-5459
Email Address:	[REDACTED]
Ethnicity / Gender:	HI / F
Business Description:	Commodities Wholesaler/Reseller,
Business Category:	COMMODITIES WHOLESALE/RESELLER (07)
Small Business:	Y

Comptroller's Tax Status This Vendor

Comptroller Lookup Any Vendor

<u>Vendor Performance</u>	<u>Score</u>	<u># of POs</u>
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:		
Exceptional Performance Reports:		

1 vendor found where vendor name begins with 'world wide imaging'.

# Results for HUBs only Search

Tx. Gov't Code  
§552.137

CMBL/HUB Vendor Detail	
Vendor ID / Number:	1742740986100 / 15451
HUB Status:	A (HUB on CMBL)
HUB Expire Date:	03-MAY-14
Vendor Name:	CASADA INDUSTRIAL
Vendor Address:	PO BOX 203161 AUSTIN, TX 78720-3161 USA
County:	TRAVIS
Contact:	Owner/ERNEST ANGUIANO
Phone / Fax:	512-219-9089 / 512-219-5656
Email Address:	[REDACTED]
Ethnicity / Gender:	HI / M
Business Description:	INDUSTRIAL SUPPLY DISTRIBUTION
Business Category:	COMMODITIES WHOLESALE/RESELLER (07)
Small Business:	Y

Comptroller's Tax Status This Vendor

Comptroller Lookup Any Vendor

Vendor Performance	Score	# of POs
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:		
Exceptional Performance Reports:		

1 vendor found where vendor name begins with 'casada'.



# Results for HUBs only Search

Tx. Gov't Code

§552.137

CMBL/HUB Vendor Detail	
Vendor ID / Number:	1742655266100 / 43098
HUB Status:	A (HUB on CMBL)
HUB Expire Date:	07-APR-14
Vendor Name:	IMAGERY GRAPHICS SYSTEMS INC
Vendor Address:	10777 SENTINEL SAN ANTONIO, TX 78217
County:	BEXAR
Contact:	NORMA CONTRERAS
Phone / Fax:	210-341-7000 / 210-341-2984
Email Address:	[REDACTED]
Ethnicity / Gender:	WO / F
Business Description:	Visual Presentation & Graphic Equipment and Supplies
Business Category:	COMMODITIES MANUFACTURER (08)
Small Business:	Y

Comptroller's Tax Status This Vendor

Comptroller Lookup Any Vendor

<u>Vendor Performance</u>	<u>Score</u>	<u># of POs</u>
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:		
Exceptional Performance Reports:		

1 vendor found where vendor name begins with 'imagery graphics systems'.

# Results for HUBs only Search

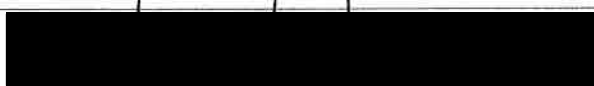
CMBL/HUB Vendor Detail	
Vendor ID / Number:	1743174809800 / 01077
HUB Status:	<u>A</u> (HUB only)
HUB Expire Date:	01-OCT-12
Vendor Name:	BUSINESS ASSETS ENTERPRISES LP
Vendor Address:	1317 PICADILLY STE C-305 PFLUGERVILLE, TX 78660
County:	TRAVIS
Contact:	Alysia Friday
Phone / Fax:	/
Ethnicity / Gender:	BL / F
Business Description:	MANUFACTURER OF CUSTOM CORRUGATED BOXES; AND MANUFACTURING SERVICE COMPANY.
Business Category:	FINANCIAL AND ACCOUNTING SERVICES (04)
Reason Off CMBL:	<u>N</u>

Comptroller's Tax Status This Vendor

Comptroller Lookup Any Vendor

<u>Vendor Performance</u>	<u>Score</u>	<u># of POs</u>
Commodity Delivery:	<u>*</u>	0
Commodity Performance:	<u>*</u>	0
Service Delivery:	<u>*</u>	0
Service Performance:	<u>*</u>	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:		
Exceptional Performance Reports:		

*1 vendor found where vendor name begins with 'business assets enterprises'.*



Tx. Gov't Code  
§552.137

## Owens, Lissa

---

From: System Administrator [postmaster@cont.scientificgames.com]  
Sent: Saturday, December 03, 2011 7:45 PM  
To: Owens, Lissa  
Subject: Relay report: 2.0.2 (Message relayed)  
Attachments: delivery-status.txt; message-header.txt; Scientific Games Ink Supplies Bid Opportunity - 12/2/11


Your message

From: Owens, Lissa <[Lissa.Owens@scientificgames.com](mailto:Lissa.Owens@scientificgames.com)>

To: Owens, Lissa <[Lissa.Owens@scientificgames.com](mailto:Lissa.Owens@scientificgames.com)>

Subj: Scientific Games Ink Supplies Bid Opportunity - 12/2/11  
Sent: 2011-12-03 19:44

was relayed to the following recipient(s):

 Tx. Gov't Code  
\$552.137

Unfortunately, the remote mail system does not support confirmation of actual delivery. Unless the final delivery fails, this will be the only delivery status notification sent.

**Owens, Lissa**

---

**From:** System Administrator [postmaster@cont.scientificgames.com]  
**nt:** Saturday, December 03, 2011 7:45 PM  
**o:** Owens, Lissa  
**Subject:** Relay report: 2.0.2 (Message relayed)  
**Attachments:** delivery-status.txt; message-header.txt; Scientific Games Ink Supplies Bid Opportunity - 12/2/11

Your message

**From:** Owens, Lissa <[Lissa.Owens@scientificgames.com](mailto:Lissa.Owens@scientificgames.com)>  
**To:** Owens, Lissa <[Lissa.Owens@scientificgames.com](mailto:Lissa.Owens@scientificgames.com)>  
**Subj:** Scientific Games Ink Supplies Bid Opportunity - 12/2/11  
**Sent:** 2011-12-03 19:44

was relayed to the following recipient(s):

 **Tx. Gov't Code**  
**\$552.137**

Unfortunately, the remote mail system does not support confirmation of actual delivery. Unless the final delivery fails, this will be the only delivery status notification sent.



From: Owens, Lissa Sent: Thu 1/5/2012 10:03 AM  
 To: Owens, Lissa  
 Cc: [REDACTED] **Tx. Gov't Code**  
 Bcc: [REDACTED] **\$552.137**  
 Subject: Scientific Games Ink Supplies Bid Opportunity - 1/5/12

Message TX Lottery - Ink Supplies 1 5 12 RFQ.docx (108 KB)

Scientific Games, a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers is sourcing qualified, certified HUB's in the state of Texas who can provide the following products and/or services pending a contract award of the Texas Lottery RFP 362-12-0001:

- Ink Supplies

Please see the attached RFQ (Request for Quotation) and, if interested, provide your response by the deadline of January 17<sup>th</sup>, 2012 – 5:pm CST (Central Standard Time).

Contact me should you have any questions concerning this solicitation.

Thank you.

**Lissa J. Owens**  
 Sr. Buyer & Diversity Program Manager  
 Scientific Games  
 (770) 664-3718 office  
 (678) 230-4346 cell  
 (770) 664-3882 fax



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Message

Reply Reply to All Forward Delete Move to Folder Create Rule Other Actions Block Sender Not Junk Safe Lists Categorize Follow Up Mark as Unread Find Related Select Find

From: Owens, Lissa Sent: Sat 12/3/2011 7:45 PM  
 To: Owens, Lissa  
 Cc: [REDACTED] **Tx. Gov't Code**  
 Bcc: [REDACTED] **\$552.137**  
 Subject: Scientific Games Ink Supplies Bid Opportunity - 12/2/11

Message | TX Lottery - Ink Supplies RFQ.docx

Scientific Games, a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers is sourcing qualified, certified HUB's in the state of Texas who can provide the following products and/or services pending a contract award of the Texas Lottery RFP 362-12-0001:

- Ink Supplies

Please see the attached RFQ (Request for Quotation) and, if interested, provide your response by the deadline of December 13<sup>th</sup>, 2011 – 5:pm CST (Central Standard Time).

Contact me should you have any questions concerning this solicitation.

Thank you.

**Lissa J. Owens**  
 Sr. Buyer & Diversity Program Manager  
 Scientific Games  
 (770) 664-3718 office  
 (678) 230-4346 cell  
 (770) 664-3882 fax



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Message



From: Owens, Lissa

Sent: Sat 12/3/2011 9:51 PM

To: Owens, Lissa

Tx. Gov't Code

Cc:

§552.137

Bcc:

Subject: FW: Scientific Games Printing Services &amp; Ink Supplies Bid Opportunity - 12/3/11

Message TX Lottery - Printing Services rev4 RFQ.docx (108 KB) TX Lottery - Ink Supplies RFQ.docx (108 KB)

Scientific Games, a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers is sourcing qualified, certified HUB's in the state of Texas who can provide the following products and/or services pending a contract award of the Texas Lottery RFP 362-12-0001:

- Printing Services and Ink Supplies

Please see the attached RFQ (Request for Quotation) and, if interested, provide your response by the deadline of **December 13<sup>th</sup>, 2011 – 5:pm CST (Central Standard Time)**.

Contact me should you have any questions concerning this solicitation.

Thank you.

*Lissa J. Owens*

Sr. Buyer & Diversity Program Manager

Scientific Games

(770) 664-3718 office

(678) 230-4346 cell

(770) 664-3882 fax



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# Scientific Games International, Inc. Request for Qualifications (RFQ)

## Ink Supplies

12/02/11

### 1. Introduction

#### 1.1 Background

Scientific Games Corporation (Scientific Games or SG) is a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers. The Company's products and products include instant lottery games, lottery gaming systems, terminals and products, and Internet applications, as well as server-based interactive gaming machines and associated gaming control systems. SG is divided into three business segments: Printed Products Group, Lottery Systems Group and Diversified Gaming Group. Printed Products Group is a provider of instant lottery tickets in the world. The Company's Lottery Systems Group is a provider of customized computer software, software support, equipment and data communication products to lotteries. Its Diversified Gaming Group provides products and systems to private and public operators in the wide area gaming industry.

#### 1.2 Intent & Objective of the RFQ

The intent & objective of this RFQ is to identify capable, qualified, experienced and cost competitive suppliers including certified Historically Underutilized Businesses (HUB's) in the state of Texas who can provide *Ink Supplies* contingent upon SG being awarded a contract under Texas Lottery RFP 362-12-0001. SG is requesting proposals for these products and if awarded the Texas Lottery Commission (TLC) contract, SG will then proceed with finalizing an award of this RFQ.

SG may award one or more Subcontracts as a result of this procurement. Following notification of award and subsequent successful negotiation if required, SG intends to enter into a Subcontract with the Successful Bidder(s) and the Successful Bidder(s) will then be a Subcontractor to SG.

### 2. Scope

#### 2.1 Scope

The information below is intended to give the Supplier an idea of the overall scope required as part of this RFQ. SG will further refine its needs prior to award and communicate those to selected Supplier(s).

**2.2 Service Requirements:** Selected suppliers are expected to provide the following distributor and value-added services to support SG with the purchase and supply of *Ink Supplies*. Services can be provided as a cost plus, fixed fee or on another basis.

- Order management and tracking
- Problem resolution
- Usage and receipts tracking and reporting
- Invoice management
- Product storage (optional)

### 3. Instructions to Suppliers

#### 3.1 RFQ Responses & Submission of Proposals

A. Suppliers should submit:

- An email to SG Contact indicated in Section 3.3 by the RFQ deadline, with the electronic proposal as an attachment

**B. Proposals must include the following:**

- Completed Appendix A – Qualitative Questions
- Completed Appendix B – Proposal Response
- Attached Supporting Documentation for the above

**3.2 RFQ Process and Timing**

The timeline for this RFQ process is aggressive; proposals are due by COB on the date listed below. SG in its sole discretion may enter into contract negotiations/discussions with the Supplier(s) who submit proposals found to best meet the needs of this initiative.

Potential Suppliers are advised to review all sections of this RFQ carefully and to follow instructions completely, failure to make a complete submission as described elsewhere herein may result in rejection of the proposal and disqualification of the Supplier from further participation.

Proposals that depart from or materially alter the terms, requirements, or scope of work defined by this RFQ may be rejected for being non-responsive.

**Table 3.2 Key RFQ Dates:**

Activity	Date
RFQ sent out to suppliers	December 2, 2011
Supplier Response Deadline	December 13, 2011 – 5pm CST
Supplier Selection – Notice of Intent to Award <ul style="list-style-type: none"> <li>• Contract contingent upon TLC RFP Award, SG Compliance Review and mutual acceptance of Terms &amp; Conditions</li> </ul>	December 20, 2011

**3.3 Communications, Inquiries and Questions**

Your interest in working with SG is welcomed; however, SG will only answer submitted questions if SG solely determines the question is critical to the success of the RFQ process. Responses will be circulated to all bidders. During the period from your company’s receipt of this RFQ until a contract is awarded, ANY and ALL communication, including questions, concerning this RFQ should ONLY be directed to the RFQ Administrator specified below.

Contact: Lissa Owens  
Scientific Games  
Procurement Department  
Email: lissa.owens@scientificgames.com  
Phone: (770) 664-3718

When submitting an e-mail, please include the RFQ NAME and your company name in the subject heading of the message. Inquiries should make specific reference to the sections and page numbers from this RFQ, where applicable.

**4. RFQ Terms and Conditions**

It is consented that by submitting a proposal, the Supplier is in agreement with the following RFQ terms and conditions. If there is an objection to these terms, the Supplier must note those objections in their response.

**4.1 Contracting Period**

A contract will be contingent upon;

- SG being awarded the Texas Lottery contract referenced in this RFQ
- Selected suppliers passing SG’s internal Compliance with Law and Background Screening
- SG and Supplier mutually agreeing upon Terms and Conditions

The contracted products are anticipated to begin in *July 1, 2012*. All awarded subcontracting opportunities are for one (1) year with options to renew.

#### **4.2 Invoicing and Payment Processing**

Invoice charges must match agreed-upon contract pricing. All invoices should show all applicable charges. Invoices should have capability to be submitted in both printed form and Electronic Data Interchange (EDI) or Internet standard formats. Invoices shall be paid by SG thirty (30) days after receipt. In the event of a legitimate dispute with regard to errors on an invoice, SG has the right to withhold payment of any disputed amount on such invoice while the parties attempt to resolve the disputed amount in accordance with the dispute resolution procedures specified in the contract.

#### **4.3 Insurance**

SG is either self-insured or maintains a coverage policy; therefore, all bids must be exclusive of insurance costs. Supplier shall at all times during the term of this agreement have and maintain in full force and effect the following insurance coverage with reliable insurance companies acceptable to SG:

- a) Bodily Injury and Property Damage (\$1 million comprehensive)
- b) Commercial Auto Liability with Bodily Injury and Property Damage, including Owned, Non-Owned and Hired Auto Liability (\$500,000)
- c) Statutory Workers' Compensation as required by applicable law and Employer's Liability (or state approved self-insurance).

Supplier shall also provide SG additional insured status and waiver of subrogation in SG's favor

#### **4.4 Duration and Availability of Proposed Prices**

The prices, terms and conditions specified in the Supplier's proposal must be valid for a period of one hundred twenty (120) days from the due date of the proposals. Once a contract is signed, the prices must remain valid for the term of that contract and any subsequent extension(s); unless SG agrees in writing that the pricing should be modified.

#### **4.5 Statement of Non-Commitment**

This RFQ is not an offer to enter into an agreement with any Supplier; it is a request to receive proposals from Suppliers interested in providing SG products and products specified within. SG reserves the right to reject all proposals, in whole or in part, and/or enter into discussions with any party to provide such products. SG will not have any obligation to the Supplier unless and until it has entered into a written agreement with the Supplier on terms and conditions satisfactory to SG. SG entering into negotiations with the Supplier with respect to any proposal or otherwise shall not be deemed to be an acceptance of such proposal or an agreement with the Supplier. Supplier-specific information (such as names, contact information, or pricing data) is used solely for Supplier selection on behalf of SG.

#### **4.6 Supplier Demonstration of Proposed Capabilities, Products and/or Products**

At the discretion of SG, the Supplier must be prepared to provide any evidence of experience, performance, ability, and/or financial surety that SG deems necessary to fully establish the performance capabilities represented in their proposal. Any required confirmation must be provided in writing to SG without cost to SG.

#### **4.7 Ownership of Proposals**

Proposals and any other materials submitted by a Bidder in response to this RFQ will become the exclusive property of SG upon receipt and will not be returned.

#### **4.8 Execution of Contract**

Once the evaluation of the proposals and the Supplier selection are complete, the selected proposal(s), if any, and this RFQ will serve as the basis for a contract that will be negotiated and executed between SG and the selected Supplier(s). This RFQ and the proposal will likely be attached to the contract as exhibits.

#### **4.9 Oral Agreements or Arrangements**

Any alleged oral agreements or arrangements made by the Supplier with any SG agent or employee will be disregarded in any proposal evaluation or associated award.

#### **4.10 Independent Price Determinants**

The Supplier shall warrant, represent, and certify that the following requirements have been met in connection with their proposal for this RFQ:

The prices proposed have been arrived at independently, without consultation, communication, or agreement for the purpose of restricting competition as to any matter relating to such process with any other organization or with any competitor; unless otherwise required by law, the pricing proposed has not been knowingly disclosed by the Supplier on a prior basis directly or indirectly to any other organization or to any competitor; and no attempt has been made, or will be made, by the proposed to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

#### **4.11 Payments Against a Contract Award**

Under no circumstances shall the successful Supplier begin to perform under a contract prior to the effective date of such contract. SG shall assume no liability for payments under the terms of the contract until the successful Supplier is notified that the contract has been accepted by SG. In no case shall a successful Supplier bill SG prices in excess of the price indicated in the final contract agreed to and accepted by SG. Any authorized or agreed additional charges can only be approved for payment by means of an amendment to the contract.

#### **4.12 No SG Liability for Proposal Costs**

SG is not liable for any costs incurred by Bidders as a result of responding to this RFQ.

#### **4.13 Proposal Disclosure Prohibition**

Disclosure of Proposal contents by a Bidder to any third party prior to Subcontract Award in this procurement may result in disqualification.

#### **4.14 Conflict of Interest**

A Bidder shall not give money or any other thing of value to members of SG's evaluation committee or to any employee of SG.

#### **4.15 Approval of Subcontract**

The Texas Department of Revenue, Lottery Division, retains the right to approve each Subcontractor. Such approval shall not be unreasonably withheld.

#### **4.16 Probity Investigations of Subcontractor**

The Texas Department of Revenue, Lottery Division, shall have the right to conduct probity investigations of any Subcontractor prior to and during the term of its Subcontract with SG.

#### **4.17 SG' Right to Audit and Access to Records, Record Keeping and Record Transfer**

The Supplier shall prepare, maintain and preserve all records with respect to the administration of this program. During the term of the contract, SG shall have access during normal business hours to all such records, in whatever form they exist or are stored. The Supplier shall afford the officers, attorneys, accountants, auditors, and other authorized representatives of SG free and full access to the records to be maintained by the Supplier pertinent to the RFQ.

At the option of SG, periodic audits may, at reasonable times, be made of the successful Suppliers' and all of their sub-contractors' books and records insofar as they pertain to the contract. Such audits shall be made at SG's expense by SG, or independent public accountants designated by SG. Said books and records shall be made available by the Supplier to the Auditors of SG. In the case that any discrepancy or breach of contract is discovered, all auditing expenses will be charged to the Supplier in addition to any legal settlements.

#### **4.18 Confidentiality and Care of Data**

The Supplier agrees to protect the confidentiality of any files, data or other materials pertaining to this RFQ and any resulting contract and to restrict their use solely for the purpose of completing this RFQ or fulfilling a resulting contract. The Supplier shall take all steps necessary to safeguard data, files, reports or other information from loss, destruction or erasure. Any costs or

expenses of replacing or damages resulting from the loss of such data shall be borne by the Supplier when such loss or damage occurred through its negligence.

#### **4.19 Compliance with Law and Background Screening**

Supplier specifically acknowledges that SG is subject to the gaming and licensing requirements of various jurisdictions and is obliged to take reasonable efforts to determine the suitability of its business associates. Supplier agrees to cooperate fully with SG in providing it with any information, of whatever nature, that SG deems necessary or appropriate in assuring itself that Supplier possesses the good character, honesty, integrity, and reputation applicable to those engaged in the gaming industry and Supplier specifically represents that there is nothing in Supplier's background, history, or reputation that would be deemed unsuitable under the standards applicable to the gaming industry. If, during the term of any Agreement, SG is notified by any regulatory agency that the conduct of business with Supplier will jeopardize SG, or its affiliates', license or ability to be licensed or if SG concludes that Supplier fails to meet the above criteria, this Agreement shall terminate upon written notice by SG.

In addition, by responding to this RFQ Supplier represents and warrants, and, if selected shall be expected to provide representations and warranties in any contract entered into between the parties concerning, compliance with all laws, including but not limited to, applicable anti-corruption, competition, licensing, and registration laws, including the Foreign Corrupt Practices Act (FCPA); and with any applicable laws, regulations, and administrative requirements promulgated under the OECD Convention on Combating Bribery of Foreign Public Officials; and other similar representations and warranties.

Individual Supplier employees or subcontractors assigned to perform products at or on behalf of Supplier and who are to be granted (a) unescorted physical access rights to any Supplier's facility (as determined by SG), or (b) any local or remote network access rights, must submit to and pass SG standard state and federal felony and misdemeanor records screening. Screening shall include social security verification and corresponding information attached to the social security number. County and or municipal checks shall be conducted as required or to further obtain charge or case specifics and determine eligibility for work. Certain Products performed by Supplier may also require credit history screening and or national records screening via fingerprint card applications sent to the FBI/DOJ for processing as dictated by SG' customer contract requirements. Follow up searches may be conducted annually thereafter.

## Appendix A: Qualitative Questions

All respondents must answer questions 1-7 in the table below. Please enter your responses using as much space as necessary.

No.	Question	Response
1	Provide the official contact person (including name, phone, fax, e-mail address) with whom SG shall communicate regarding this RFQ.	
2	Provide your Texas Payee ID or Federal ID Number	
3	Confirm your company status as either a; certified HUB in the state of Texas, or a Minority or Woman Trade Organization. <u>Attach valid certificates and/or supporting documentation.</u>	
4	Indicate whether your firm has been or is the subject of a bankruptcy or insolvency proceeding or subject of assignment for benefit of creditors.	
5	Please provide a brief background on your company, including information on how long your company has been in business, ownership structure, location of your offices, and number of employees.	
6	Please confirm you have the State licenses, permits, certificates and authorizations needed to provide these products.	
7	<p>Supply a minimum of two (2) references that will attest to your ability (in the last three years) to provide products similar in scope to those outlined. For each reference, provide the following information:</p> <ul style="list-style-type: none"> <li>• The client organization's name, mailing address, contact name, telephone number and email address</li> <li>• The approximate period during which the products were provided</li> <li>• A summary of the type, quantity, and scope of services</li> </ul>	



**Appendix B: Proposal Response**

**DISTRIBUTOR AND VALUE ADDED RESELLER PRICING STRUCTURE**

<b>ITEM</b>	<b>DESCRIPTION OF SERVICES REQUIRED</b>	<b>DESCRIBE PROPOSED PRICING STRUCTURE</b>	<b>ANNUAL FEE (\$)</b>
<b>1</b>	Order management and tracking		
<b>2</b>	Problem resolution		
<b>3</b>	Usage and receipts tracking and reporting		
<b>4</b>	Invoice management		
<b>5</b>	Product storage (optional)		
	<b>TOTAL PRICE</b>		

Company Name	Date
Contact Name	Signature



# Scientific Games International, Inc. Request for Qualifications (RFQ)

## Ink Supplies

12/05/11

### 1. Introduction

#### 1.1 Background

Scientific Games Corporation (Scientific Games or SG) is a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers. The Company's products and products include instant lottery games, lottery gaming systems, terminals and products, and Internet applications, as well as server-based interactive gaming machines and associated gaming control systems. SG is divided into three business segments: Printed Products Group, Lottery Systems Group and Diversified Gaming Group. Printed Products Group is a provider of instant lottery tickets in the world. The Company's Lottery Systems Group is a provider of customized computer software, software support, equipment and data communication products to lotteries. Its Diversified Gaming Group provides products and systems to private and public operators in the wide area gaming industry.

#### 1.2 Intent & Objective of the RFQ

The intent & objective of this RFQ is to identify capable, qualified, experienced and cost competitive suppliers including certified Historically Underutilized Businesses (HUB's) in the state of Texas who can provide *Ink Supplies* contingent upon SG being awarded a contract under Texas Lottery RFP 362-12-0001. SG is requesting proposals for these products and if awarded the Texas Lottery Commission (TLC) contract, SG will then proceed with finalizing an award of this RFQ.

SG may award one or more Subcontracts as a result of this procurement. Following notification of award and subsequent successful negotiation if required, SG intends to enter into a Subcontract with the Successful Bidder(s) and the Successful Bidder(s) will then be a Subcontractor to SG.

### 2. Scope

#### 2.1 Scope

The information below is intended to give the Supplier an idea of the overall scope required as part of this RFQ. SG will further refine its needs prior to award and communicate those to selected Supplier(s).

**2.2 Service Requirements:** Selected suppliers are expected to provide the following distributor and value-added services to support SG with the purchase and supply of *Ink Supplies*. Services can be provided as a cost plus, fixed fee or on another basis.

- Order management and tracking
- Problem resolution
- Usage and receipts tracking and reporting
- Invoice management
- Product storage (optional)

### 3. Instructions to Suppliers

#### 3.1 RFQ Responses & Submission of Proposals

A. Suppliers should submit:

- An email to SG Contact indicated in Section 3.3 by the RFQ deadline, with the electronic proposal as an attachment

**B. Proposals must include the following:**

- Completed Appendix A – Qualitative Questions
- Completed Appendix B – Proposal Response
- Attached Supporting Documentation for the above

**3.2 RFQ Process and Timing**

The timeline for this RFQ process is aggressive; proposals are due by COB on the date listed below. SG in its sole discretion may enter into contract negotiations/discussions with the Supplier(s) who submit proposals found to best meet the needs of this initiative.

Potential Suppliers are advised to review all sections of this RFQ carefully and to follow instructions completely, failure to make a complete submission as described elsewhere herein may result in rejection of the proposal and disqualification of the Supplier from further participation.

Proposals that depart from or materially alter the terms, requirements, or scope of work defined by this RFQ may be rejected for being non-responsive.

**Table 3.2 Key RFQ Dates:**

Activity	Date
RFQ sent out to suppliers	December 5, 2011
Supplier Response Deadline	December 14, 2011 – 5pm CST
Supplier Selection – Notice of Intent to Award <ul style="list-style-type: none"> <li>• Contract contingent upon TLC RFP Award, SG Compliance Review and mutual acceptance of Terms &amp; Conditions</li> </ul>	December 20, 2011

**3.3 Communications, Inquiries and Questions**

Your interest in working with SG is welcomed; however, SG will only answer submitted questions if SG solely determines the question is critical to the success of the RFQ process. Responses will be circulated to all bidders. During the period from your company’s receipt of this RFQ until a contract is awarded, ANY and ALL communication, including questions, concerning this RFQ should ONLY be directed to the RFQ Administrator specified below.

Contact: Lissa Owens  
 Scientific Games  
 Procurement Department  
 Email: lissa.owens@scientificgames.com  
 Phone: (770) 664-3718

When submitting an e-mail, please include the RFQ NAME and your company name in the subject heading of the message. Inquiries should make specific reference to the sections and page numbers from this RFQ, where applicable.

**4. RFQ Terms and Conditions**

It is consented that by submitting a proposal, the Supplier is in agreement with the following RFQ terms and conditions. If there is an objection to these terms, the Supplier must note those objections in their response.

**4.1 Contracting Period**

- A contract will be contingent upon;
- SG being awarded the Texas Lottery contract referenced in this RFQ
  - Selected suppliers passing SG’s internal Compliance with Law and Background Screening
  - SG and Supplier mutually agreeing upon Terms and Conditions

The contracted products are anticipated to begin in *July 1, 2012*. All awarded subcontracting opportunities are for one (1) year with options to renew.

#### **4.2 Invoicing and Payment Processing**

Invoice charges must match agreed-upon contract pricing. All invoices should show all applicable charges. Invoices should have capability to be submitted in both printed form and Electronic Data Interchange (EDI) or Internet standard formats. Invoices shall be paid by SG thirty (30) days after receipt. In the event of a legitimate dispute with regard to errors on an invoice, SG has the right to withhold payment of any disputed amount on such invoice while the parties attempt to resolve the disputed amount in accordance with the dispute resolution procedures specified in the contract.

#### **4.3 Insurance**

SG is either self-insured or maintains a coverage policy; therefore, all bids must be exclusive of insurance costs. Supplier shall at all times during the term of this agreement have and maintain in full force and effect the following insurance coverage with reliable insurance companies acceptable to SG:

- a) Bodily Injury and Property Damage (\$1 million comprehensive)
- b) Commercial Auto Liability with Bodily Injury and Property Damage, including Owned, Non-Owned and Hired Auto Liability (\$500,000)
- c) Statutory Workers' Compensation as required by applicable law and Employer's Liability (or state approved self-insurance).

Supplier shall also provide SG additional insured status and waiver of subrogation in SG's favor

#### **4.4 Duration and Availability of Proposed Prices**

The prices, terms and conditions specified in the Supplier's proposal must be valid for a period of one hundred twenty (120) days from the due date of the proposals. Once a contract is signed, the prices must remain valid for the term of that contract and any subsequent extension(s); unless SG agrees in writing that the pricing should be modified.

#### **4.5 Statement of Non-Commitment**

This RFQ is not an offer to enter into an agreement with any Supplier; it is a request to receive proposals from Suppliers interested in providing SG products and products specified within. SG reserves the right to reject all proposals, in whole or in part, and/or enter into discussions with any party to provide such products. SG will not have any obligation to the Supplier unless and until it has entered into a written agreement with the Supplier on terms and conditions satisfactory to SG. SG entering into negotiations with the Supplier with respect to any proposal or otherwise shall not be deemed to be an acceptance of such proposal or an agreement with the Supplier. Supplier-specific information (such as names, contact information, or pricing data) is used solely for Supplier selection on behalf of SG.

#### **4.6 Supplier Demonstration of Proposed Capabilities, Products and/or Products**

At the discretion of SG, the Supplier must be prepared to provide any evidence of experience, performance, ability, and/or financial surety that SG deems necessary to fully establish the performance capabilities represented in their proposal. Any required confirmation must be provided in writing to SG without cost to SG.

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#### **4.8 Execution of Contract**

Once the evaluation of the proposals and the Supplier selection are complete, the selected proposal(s), if any, and this RFQ will serve as the basis for a contract that will be negotiated and executed between SG and the selected Supplier(s). This RFQ and the proposal will likely be attached to the contract as exhibits.

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#### **4.11 Payments Against a Contract Award**

Under no circumstances shall the successful Supplier begin to perform under a contract prior to the effective date of such contract. SG shall assume no liability for payments under the terms of the contract until the successful Supplier is notified that the contract has been accepted by SG. In no case shall a successful Supplier bill SG prices in excess of the price indicated in the final contract agreed to and accepted by SG. Any authorized or agreed additional charges can only be approved for payment by means of an amendment to the contract.

#### **4.12 No SG Liability for Proposal Costs**

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Disclosure of Proposal contents by a Bidder to any third party prior to Subcontract Award in this procurement may result in disqualification.

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#### **4.15 Approval of Subcontract**

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#### **4.16 Probity Investigations of Subcontractor**

The Texas Department of Revenue, Lottery Division, shall have the right to conduct probity investigations of any Subcontractor prior to and during the term of its Subcontract with SG.

#### **4.17 SG' Right to Audit and Access to Records, Record Keeping and Record Transfer**

The Supplier shall prepare, maintain and preserve all records with respect to the administration of this program. During the term of the contract, SG shall have access during normal business hours to all such records, in whatever form they exist or are stored. The Supplier shall afford the officers, attorneys, accountants, auditors, and other authorized representatives of SG free and full access to the records to be maintained by the Supplier pertinent to the RFQ.

At the option of SG, periodic audits may, at reasonable times, be made of the successful Suppliers' and all of their sub-contractors' books and records insofar as they pertain to the contract. Such audits shall be made at SG's expense by SG, or independent public accountants designated by SG. Said books and records shall be made available by the Supplier to the Auditors of SG. In the case that any discrepancy or breach of contract is discovered, all auditing expenses will be charged to the Supplier in addition to any legal settlements.

#### **4.18 Confidentiality and Care of Data**

The Supplier agrees to protect the confidentiality of any files, data or other materials pertaining to this RFQ and any resulting contract and to restrict their use solely for the purpose of completing this RFQ or fulfilling a resulting contract. The Supplier shall take all steps necessary to safeguard data, files, reports or other information from loss, destruction or erasure. Any costs or

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Supplier specifically acknowledges that SG is subject to the gaming and licensing requirements of various jurisdictions and is obliged to take reasonable efforts to determine the suitability of its business associates. Supplier agrees to cooperate fully with SG in providing it with any information, of whatever nature, that SG deems necessary or appropriate in assuring itself that Supplier possesses the good character, honesty, integrity, and reputation applicable to those engaged in the gaming industry and Supplier specifically represents that there is nothing in Supplier's background, history, or reputation that would be deemed unsuitable under the standards applicable to the gaming industry. If, during the term of any Agreement, SG is notified by any regulatory agency that the conduct of business with Supplier will jeopardize SG, or its affiliates', license or ability to be licensed or if SG concludes that Supplier fails to meet the above criteria, this Agreement shall terminate upon written notice by SG.

In addition, by responding to this RFQ Supplier represents and warrants, and, if selected shall be expected to provide representations and warranties in any contract entered into between the parties concerning, compliance with all laws, including but not limited to, applicable anti-corruption, competition, licensing, and registration laws, including the Foreign Corrupt Practices Act (FCPA); and with any applicable laws, regulations, and administrative requirements promulgated under the OECD Convention on Combating Bribery of Foreign Public Officials; and other similar representations and warranties.

Individual Supplier employees or subcontractors assigned to perform products at or on behalf of Supplier and who are to be granted (a) unescorted physical access rights to any Supplier's facility (as determined by SG), or (b) any local or remote network access rights, must submit to and pass SG standard state and federal felony and misdemeanor records screening. Screening shall include social security verification and corresponding information attached to the social security number. County and or municipal checks shall be conducted as required or to further obtain charge or case specifics and determine eligibility for work. Certain Products performed by Supplier may also require credit history screening and or national records screening via fingerprint card applications sent to the FBI/DOJ for processing as dictated by SG' customer contract requirements. Follow up searches may be conducted annually thereafter.

## Appendix A: Qualitative Questions

All respondents must answer questions 1-7 in the table below. Please enter your responses using as much space as necessary.

No.	Question	Response
1	Provide the official contact person (including name, phone, fax, e-mail address) with whom SG shall communicate regarding this RFQ.	
2	Provide your Texas Payee ID or Federal ID Number	
3	Confirm your company status as either a; certified HUB in the state of Texas, or a Minority or Woman Trade Organization. <u>Attach valid certificates and/or supporting documentation.</u>	
4	Indicate whether your firm has been or is the subject of a bankruptcy or insolvency proceeding or subject of assignment for benefit of creditors.	
5	Please provide a brief background on your company, including information on how long your company has been in business, ownership structure, location of your offices, and number of employees.	
6	Please confirm you have the State licenses, permits, certificates and authorizations needed to provide these products.	
7	<p>Supply a minimum of two (2) references that will attest to your ability (in the last three years) to provide products similar in scope to those outlined. For each reference, provide the following information:</p> <ul style="list-style-type: none"> <li>• The client organization's name, mailing address, contact name, telephone number and email address</li> <li>• The approximate period during which the products were provided</li> <li>• A summary of the type, quantity, and scope of services</li> </ul>	

## Appendix B: Proposal Response

### DISTRIBUTOR AND VALUE ADDED RESELLER PRICING STRUCTURE

ITEM	DESCRIPTION OF SERVICES REQUIRED	DESCRIBE PROPOSED PRICING STRUCTURE	ANNUAL FEE (\$)
1	Order management and tracking		
2	Problem resolution		
3	Usage and receipts tracking and reporting		
4	Invoice management		
5	Product storage (optional)		
	<b>TOTAL PRICE</b>		

Company Name	Date
Contact Name	Signature





# Scientific Games International, Inc. Request for Qualifications (RFQ)

## Ink Supplies

1/5/12

### 1. Introduction

#### 1.1 Background

Scientific Games Corporation (Scientific Games or SG) is a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers. The Company's products and products include instant lottery games, lottery gaming systems, terminals and products, and Internet applications, as well as server-based interactive gaming machines and associated gaming control systems. SG is divided into three business segments: Printed Products Group, Lottery Systems Group and Diversified Gaming Group. Printed Products Group is a provider of instant lottery tickets in the world. The Company's Lottery Systems Group is a provider of customized computer software, software support, equipment and data communication products to lotteries. Its Diversified Gaming Group provides products and systems to private and public operators in the wide area gaming industry.

#### 1.2 Intent & Objective of the RFQ

The intent & objective of this RFQ is to identify capable, qualified, experienced and cost competitive suppliers including certified Historically Underutilized Businesses (HUB's) in the state of Texas who can provide *Ink Supplies* contingent upon SG being awarded a contract under Texas Lottery RFP 362-12-0001. SG is requesting proposals for these products and if awarded the Texas Lottery Commission (TLC) contract, SG will then proceed with finalizing an award of this RFQ.

SG may award one or more Subcontracts as a result of this procurement. Following notification of award and subsequent successful negotiation if required, SG intends to enter into a Subcontract with the Successful Bidder(s) and the Successful Bidder(s) will then be a Subcontractor to SG.

### 2. Scope

#### 2.1 Scope

The information below is intended to give the Supplier an idea of the overall scope required as part of this RFQ. SG will further refine its needs prior to award and communicate those to selected Supplier(s).

**2.2 Service Requirements:** Selected suppliers are expected to provide the following distributor and value-added services to support SG with the purchase and supply of *Ink Supplies*. Services can be provided as a cost plus, fixed fee or on another basis.

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- Problem resolution
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- Product storage (optional)

### 3. Instructions to Suppliers

#### 3.1 RFQ Responses & Submission of Proposals

A. Suppliers should submit:

- An email to SG Contact indicated in Section 3.3 by the RFQ deadline, with the electronic proposal as an attachment

**B. Proposals must include the following:**

- Completed Appendix A – Qualitative Questions
- Completed Appendix B – Proposal Response
- Attached Supporting Documentation for the above

**3.2 RFQ Process and Timing**

The timeline for this RFQ process is aggressive; proposals are due by COB on the date listed below. SG in its sole discretion may enter into contract negotiations/discussions with the Supplier(s) who submit proposals found to best meet the needs of this initiative.

Potential Suppliers are advised to review all sections of this RFQ carefully and to follow instructions completely, failure to make a complete submission as described elsewhere herein may result in rejection of the proposal and disqualification of the Supplier from further participation.

Proposals that depart from or materially alter the terms, requirements, or scope of work defined by this RFQ may be rejected for being non-responsive.

**Table 3.2 Key RFQ Dates:**

Activity	Date
RFQ sent out to suppliers	January 5, 2012
Supplier Response Deadline	January 17, 2012 – 5pm CST
Supplier Selection – Notice of Intent to Award <ul style="list-style-type: none"> <li>• Contract contingent upon TLC RFP Award, SG Compliance Review and mutual acceptance of Terms &amp; Conditions</li> </ul>	January 19, 2012

**3.3 Communications, Inquiries and Questions**

Your interest in working with SG is welcomed; however, SG will only answer submitted questions if SG solely determines the question is critical to the success of the RFQ process. Responses will be circulated to all bidders. During the period from your company’s receipt of this RFQ until a contract is awarded, ANY and ALL communication, including questions, concerning this RFQ should ONLY be directed to the RFQ Administrator specified below.

Contact: Lissa Owens  
 Scientific Games  
 Procurement Department  
 Email: lissa.owens@scientificgames.com  
 Phone: (770) 664-3718

When submitting an e-mail, please include the RFQ NAME and your company name in the subject heading of the message. Inquiries should make specific reference to the sections and page numbers from this RFQ, where applicable.

**4. RFQ Terms and Conditions**

It is consented that by submitting a proposal, the Supplier is in agreement with the following RFQ terms and conditions. If there is an objection to these terms, the Supplier must note those objections in their response.

**4.1 Contracting Period**

A contract will be contingent upon;

- SG being awarded the Texas Lottery contract referenced in this RFQ
- Selected suppliers passing SG’s internal Compliance with Law and Background Screening
- SG and Supplier mutually agreeing upon Terms and Conditions

The contracted products are anticipated to begin in *July 1, 2012*. All awarded subcontracting opportunities are for one (1) year with options to renew.

#### **4.2 Invoicing and Payment Processing**

Invoice charges must match agreed-upon contract pricing. All invoices should show all applicable charges. Invoices should have capability to be submitted in both printed form and Electronic Data Interchange (EDI) or Internet standard formats. Invoices shall be paid by SG thirty (30) days after receipt. In the event of a legitimate dispute with regard to errors on an invoice, SG has the right to withhold payment of any disputed amount on such invoice while the parties attempt to resolve the disputed amount in accordance with the dispute resolution procedures specified in the contract.

#### **4.3 Insurance**

SG is either self-insured or maintains a coverage policy; therefore, all bids must be exclusive of insurance costs. Supplier shall at all times during the term of this agreement have and maintain in full force and effect the following insurance coverage with reliable insurance companies acceptable to SG:

- a) Bodily Injury and Property Damage (\$1 million comprehensive)
- b) Commercial Auto Liability with Bodily Injury and Property Damage, including Owned, Non-Owned and Hired Auto Liability (\$500,000)
- c) Statutory Workers' Compensation as required by applicable law and Employer's Liability (or state approved self-insurance).

Supplier shall also provide SG additional insured status and waiver of subrogation in SG's favor

#### **4.4 Duration and Availability of Proposed Prices**

The prices, terms and conditions specified in the Supplier's proposal must be valid for a period of one hundred twenty (120) days from the due date of the proposals. Once a contract is signed, the prices must remain valid for the term of that contract and any subsequent extension(s); unless SG agrees in writing that the pricing should be modified.

#### **4.5 Statement of Non-Commitment**

This RFQ is not an offer to enter into an agreement with any Supplier; it is a request to receive proposals from Suppliers interested in providing SG products and products specified within. SG reserves the right to reject all proposals, in whole or in part, and/or enter into discussions with any party to provide such products. SG will not have any obligation to the Supplier unless and until it has entered into a written agreement with the Supplier on terms and conditions satisfactory to SG. SG entering into negotiations with the Supplier with respect to any proposal or otherwise shall not be deemed to be an acceptance of such proposal or an agreement with the Supplier. Supplier-specific information (such as names, contact information, or pricing data) is used solely for Supplier selection on behalf of SG.

#### **4.6 Supplier Demonstration of Proposed Capabilities, Products and/or Products**

At the discretion of SG, the Supplier must be prepared to provide any evidence of experience, performance, ability, and/or financial surety that SG deems necessary to fully establish the performance capabilities represented in their proposal. Any required confirmation must be provided in writing to SG without cost to SG.

#### **4.7 Ownership of Proposals**

Proposals and any other materials submitted by a Bidder in response to this RFQ will become the exclusive property of SG upon receipt and will not be returned.

#### **4.8 Execution of Contract**

Once the evaluation of the proposals and the Supplier selection are complete, the selected proposal(s), if any, and this RFQ will serve as the basis for a contract that will be negotiated and executed between SG and the selected Supplier(s). This RFQ and the proposal will likely be attached to the contract as exhibits.

#### **4.9 Oral Agreements or Arrangements**

Any alleged oral agreements or arrangements made by the Supplier with any SG agent or employee will be disregarded in any proposal evaluation or associated award.

#### **4.10 Independent Price Determinants**

The Supplier shall warrant, represent, and certify that the following requirements have been met in connection with their proposal for this RFQ:

The prices proposed have been arrived at independently, without consultation, communication, or agreement for the purpose of restricting competition as to any matter relating to such process with any other organization or with any competitor; unless otherwise required by law, the pricing proposed has not been knowingly disclosed by the Supplier on a prior basis directly or indirectly to any other organization or to any competitor; and no attempt has been made, or will be made, by the proposed to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

#### **4.11 Payments Against a Contract Award**

Under no circumstances shall the successful Supplier begin to perform under a contract prior to the effective date of such contract. SG shall assume no liability for payments under the terms of the contract until the successful Supplier is notified that the contract has been accepted by SG. In no case shall a successful Supplier bill SG prices in excess of the price indicated in the final contract agreed to and accepted by SG. Any authorized or agreed additional charges can only be approved for payment by means of an amendment to the contract.

#### **4.12 No SG Liability for Proposal Costs**

SG is not liable for any costs incurred by Bidders as a result of responding to this RFQ.

#### **4.13 Proposal Disclosure Prohibition**

Disclosure of Proposal contents by a Bidder to any third party prior to Subcontract Award in this procurement may result in disqualification.

#### **4.14 Conflict of Interest**

A Bidder shall not give money or any other thing of value to members of SG's evaluation committee or to any employee of SG.

#### **4.15 Approval of Subcontract**

The Texas Department of Revenue, Lottery Division, retains the right to approve each Subcontractor. Such approval shall not be unreasonably withheld.

#### **4.16 Probity Investigations of Subcontractor**

The Texas Department of Revenue, Lottery Division, shall have the right to conduct probity investigations of any Subcontractor prior to and during the term of its Subcontract with SG.

#### **4.17 SG' Right to Audit and Access to Records, Record Keeping and Record Transfer**

The Supplier shall prepare, maintain and preserve all records with respect to the administration of this program. During the term of the contract, SG shall have access during normal business hours to all such records, in whatever form they exist or are stored. The Supplier shall afford the officers, attorneys, accountants, auditors, and other authorized representatives of SG free and full access to the records to be maintained by the Supplier pertinent to the RFQ.

At the option of SG, periodic audits may, at reasonable times, be made of the successful Suppliers' and all of their sub-contractors' books and records insofar as they pertain to the contract. Such audits shall be made at SG's expense by SG, or independent public accountants designated by SG. Said books and records shall be made available by the Supplier to the Auditors of SG. In the case that any discrepancy or breach of contract is discovered, all auditing expenses will be charged to the Supplier in addition to any legal settlements.

#### **4.18 Confidentiality and Care of Data**

The Supplier agrees to protect the confidentiality of any files, data or other materials pertaining to this RFQ and any resulting contract and to restrict their use solely for the purpose of completing this RFQ or fulfilling a resulting contract. The Supplier shall take all steps necessary to safeguard data, files, reports or other information from loss, destruction or erasure. Any costs or

expenses of replacing or damages resulting from the loss of such data shall be borne by the Supplier when such loss or damage occurred through its negligence.

#### **4.19 Compliance with Law and Background Screening**

Supplier specifically acknowledges that SG is subject to the gaming and licensing requirements of various jurisdictions and is obliged to take reasonable efforts to determine the suitability of its business associates. Supplier agrees to cooperate fully with SG in providing it with any information, of whatever nature, that SG deems necessary or appropriate in assuring itself that Supplier possesses the good character, honesty, integrity, and reputation applicable to those engaged in the gaming industry and Supplier specifically represents that there is nothing in Supplier's background, history, or reputation that would be deemed unsuitable under the standards applicable to the gaming industry. If, during the term of any Agreement, SG is notified by any regulatory agency that the conduct of business with Supplier will jeopardize SG, or its affiliates', license or ability to be licensed or if SG concludes that Supplier fails to meet the above criteria, this Agreement shall terminate upon written notice by SG.

In addition, by responding to this RFQ Supplier represents and warrants, and, if selected shall be expected to provide representations and warranties in any contract entered into between the parties concerning, compliance with all laws, including but not limited to, applicable anti-corruption, competition, licensing, and registration laws, including the Foreign Corrupt Practices Act (FCPA); and with any applicable laws, regulations, and administrative requirements promulgated under the OECD Convention on Combating Bribery of Foreign Public Officials; and other similar representations and warranties.

Individual Supplier employees or subcontractors assigned to perform products at or on behalf of Supplier and who are to be granted (a) unescorted physical access rights to any Supplier's facility (as determined by SG), or (b) any local or remote network access rights, must submit to and pass SG standard state and federal felony and misdemeanor records screening. Screening shall include social security verification and corresponding information attached to the social security number. County and or municipal checks shall be conducted as required or to further obtain charge or case specifics and determine eligibility for work. Certain Products performed by Supplier may also require credit history screening and or national records screening via fingerprint card applications sent to the FBI/DOJ for processing as dictated by SG' customer contract requirements. Follow up searches may be conducted annually thereafter.

## Appendix A: Qualitative Questions

All respondents must answer questions 1-7 in the table below. Please enter your responses using as much space as necessary.

No.	Question	Response
1	Provide the official contact person (including name, phone, fax, e-mail address) with whom SG shall communicate regarding this RFQ.	
2	Provide your Texas Payee ID or Federal ID Number	
3	Confirm your company status as either a; certified HUB in the state of Texas, or a Minority or Woman Trade Organization. <u>Attach valid certificates and/or supporting documentation.</u>	
4	Indicate whether your firm has been or is the subject of a bankruptcy or insolvency proceeding or subject of assignment for benefit of creditors.	
5	Please provide a brief background on your company, including information on how long your company has been in business, ownership structure, location of your offices, and number of employees.	
6	Please confirm you have the State licenses, permits, certificates and authorizations needed to provide these products.	
7	<p>Supply a minimum of two (2) references that will attest to your ability (in the last three years) to provide products similar in scope to those outlined. For each reference, provide the following information:</p> <ul style="list-style-type: none"> <li>• The client organization's name, mailing address, contact name, telephone number and email address</li> <li>• The approximate period during which the products were provided</li> <li>• A summary of the type, quantity, and scope of services</li> </ul>	

**Appendix B: Proposal Response**

**DISTRIBUTOR AND VALUE ADDED RESELLER PRICING STRUCTURE**

<b>ITEM</b>	<b>DESCRIPTION OF SERVICES REQUIRED</b>	<b>DESCRIBE PROPOSED PRICING STRUCTURE</b>	<b>ANNUAL FEE (\$)</b>
<b>1</b>	Order management and tracking		
<b>2</b>	Problem resolution		
<b>3</b>	Usage and receipts tracking and reporting		
<b>4</b>	Invoice management		
<b>5</b>	Product storage (optional)		
	<b>TOTAL PRICE</b>		

Company Name	Date
Contact Name	Signature



# TEXAS LOTTERY COMMISSION

Printing Services





# HSP Good Faith Effort - Method B (Attachment B)

(Rev. 10/11)

Enter your company's name here: Scientific Games

Requisition #: 362-12-0001

**IMPORTANT:** If you responded "No" to SECTION 2, Items c and d of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed in SECTION 2, Item b of the completed HSP form. You may photo-copy this page or download the form at <http://www.window.state.tx.us/procurement/prog/hub/hub-forms/HUBSubcontractingPlanAttachment-B.doc>

## SECTION B-1 SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing this attachment.

Item #: 3 Description: Printing Services

## SECTION B-2 MENTOR PROTÉGÉ PROGRAM

If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in SECTION B-1, constitutes a good faith effort to subcontract with a Texas certified HUB towards that specific portion of work.

Check the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé.

- Yes (If Yes, to continue to SECTION B-4.)  
 - No / Not Applicable (If No or Not Applicable, continue to SECTION B-3.)

## SECTION B-3 NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

When completing this section you **MUST** comply with items a, b, c and d, thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and minority or women trade organizations or development centers about the subcontracting opportunity you listed in SECTION B-1. Your notice should include the scope of work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person.

When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at <http://www.window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan/>

Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and minority or women trade organizations or development centers.

- Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HUBs at least seven (7) working days to respond to the notice prior to your submitting your bid response to the contracting agency. When searching for Texas certified HUBs, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) and Historically Underutilized Business (HUB) Search directory located at <http://www.window.state.tx.us/procurement/cmb/cmbhub.html>. HUB Status code "A" signifies that the company is a Texas certified HUB.
- List the three (3) Texas certified HUBs you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company's Vendor ID (VID) number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

Company Name	VID #	Date Notice Sent (mm/dd/yyyy)	Did the HUB Respond?
4D Productions	1061754938000	12 / 03 / 11	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No
Allcraft Printing, Inc.	1751364247400	12 / 03 / 11	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No
Color One Systems, Inc.	1900577297500	12 / 03 / 11	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No

- Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to minority or women trade organizations or development centers to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to minority or women trade organizations or development centers at least seven (7) working days prior to submitting your bid response to the contracting agency.

A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program's webpage at <http://www.window.state.tx.us/procurement/prog/hub/mwb-links-1/>

- Enter the name of the minority or women trade organizations or development centers you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the date when you sent notice to it and indicate if it accepted or rejected your notice.

Minority/Women Trade Organizations or Development Centers	Date Notice Sent (mm/dd/yyyy)	Was the Notice Accepted?
American Indian Chamber of Commerce - TX	12 / 03 / 11	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No
Women's Business Council-Southwest	12 / 03 / 11	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No

# HSP Good Faith Effort - Method B (Attachment B) *Cont.*

Enter your company's name here: Scientific Games

Requisition #: 362-12-0001

## SECTION B-4 SUBCONTRACTOR SELECTION

- a. List the subcontractor(s) you selected to perform the subcontracting opportunity you listed in SECTION B-1. Also identify whether they are a Texas Certified HUB and their VID number, the approximate dollar value of the work to be subcontracted, the expected percentage of work to be subcontracted, and indicate whether the company is a Texas certified HUB.

Company Name	Texas Certified HUB	VID # (Required if Texas Certified HUB)	Approximate Dollar Amount	Expected Percentage of Contract
Perfect Image Printing	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No		\$57,500.00	1.15%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

- b. If any of the subcontractors you have selected to perform the subcontracting opportunity you listed in SECTION B-1 is **not** a Texas certified HUB, provide written justification for your selection process (attach additional page if necessary):

It provides best value for SG to use a local printing company that is geographically located near our manufacturing facility since the Point of Sales ticket samples need to be inserted into each shrink-wrapped pack of tickets.

**REMINDER:** As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to all the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity it (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.

CODE: 966-61  
PRINTING + TYPESETTING SVCS.

# Results for HUBs only Search

Tx. Gov't Code  
\$552.137

CMBL/HUB Vendor Detail	
Vendor ID / Number:	1751364247400 / 80780
HUB Status:	A (HUB on CMBL)
HUB Expire Date:	27-OCT-14
Vendor Name:	ALLCRAFT PRINTING, INC.
Vendor Address:	1525 EDISON ST DALLAS, TX 75207-3704 USA
County:	DALLAS
Contact:	Shirley A. Williams
Phone / Fax:	214-742-6994 / 214-752-0152
Email Address:	[REDACTED]
Ethnicity / Gender:	WO / F
Business Description:	Commercial offset printing ranging from small 2-color presses to large 28 X 40 4-color presses. We print everything from simple business cards and forms to complicated 4-color brochures, flyers, pocket folders and annual reports.
Business Category:	COMMODITIES MANUFACTURER (08)
Small Business:	Y

Comptroller's Tax Status This Vendor

Comptroller Lookup Any Vendor

Vendor Performance	Score	# of POs
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:		
Exceptional Performance Reports:		

1 vendor found where vendor name begins with 'allcraft printing, Inc.'

Tx. Gov't Code  
§552.137

# Results for HUBs only Search

CMBL/HUB Vendor Detail	
Vendor ID / Number:	1061754938000 / 18972
HUB Status:	A (HUB only)
HUB Expire Date:	12-AUG-15
Vendor Name:	4D PRODUCTIONS
Vendor Address:	10412 DEDHAM COURT AUSTIN, TX 78739 USA
County:	TRAVIS
Contact:	Owner/MARY LUGO
Phone / Fax:	512-470-9862 /
Email Address:	[REDACTED]
Ethnicity / Gender:	HI / F
Business Description:	Printing Services
Business Category:	SPECIAL TRADE CONSTRUCTION (03)
Small Business:	Y
Reason Off CMBL:	F

Comptroller's Tax Status This Vendor

Comptroller Lookup Any Vendor

<u>Vendor Performance</u>	<u>Score</u>	<u># of POs</u>
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:		
Exceptional Performance Reports:		

*1 vendor found where vendor name begins with '4d productions'.*

# Results for HUBs only Search

Tx. Gov't Code  
 §552.137

CMBL/HUB Vendor Detail	
Vendor ID / Number:	1900577297500 / 467892
HUB Status:	A (HUB on CMBL)
HUB Expire Date:	26-APR-15
Vendor Name:	COLOR ONE SYSTEMS, INC.
Vendor Address:	10900 ROARK RD HOUSTON, TX 77099-3539 USA
County:	HARRIS
Contact:	Rex Chu
Phone / Fax:	281-495-9988 /
Email Address:	[REDACTED]
Ethnicity / Gender:	AS / M
Business Description:	Commercial printing company. Printing color brochures, manuals, magazines, brochures, business cards, forms, pockets folders, variable data digital printing, die cutting, fulfillment and mailing services.
Business Category:	COMMODITIES MANUFACTURER (08)
Small Business:	Y

Comptroller's Tax Status This Vendor

Comptroller Lookup Any Vendor

Vendor Performance	Score	# of POs
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:		
Exceptional Performance Reports:		

1 vendor found where vendor name begins with 'color one systems'.

Owens, Lissa

---

From: System Administrator [postmaster@cont.scientificgames.com]  
Sent: Saturday, December 03, 2011 9:16 PM  
To: Owens, Lissa  
Subject: Relay report: 2.0.2 (Message relayed)  
Attachments: delivery-status.txt; message-header.txt; Scientific Games Printing Services Bid Opportunity - 12/3/11

Your message

From: Owens, Lissa <[Lissa.Owens@scientificgames.com](mailto:Lissa.Owens@scientificgames.com)>

To: Owens, Lissa <[Lissa.Owens@scientificgames.com](mailto:Lissa.Owens@scientificgames.com)>

Subj: Scientific Games Printing Services Bid Opportunity - 12/3/11  
Sent: 2011-12-03 21:15

was relayed to the following recipient(s):



Tx. Gov't Code  
\$552.137

Unfortunately, the remote mail system does not support confirmation of actual delivery. Unless the final delivery fails, this will be the only delivery status notification sent.

Owens, Lissa

---

From: System Administrator [postmaster@cont.scientificgames.com]  
Sent: Saturday, December 03, 2011 9:51 PM  
To: Owens, Lissa  
Subject: Relay report: 2.0.2 (Message relayed)  
Attachments: delivery-status.txt; message-header.txt; FW: Scientific Games Printing Services & Ink Supplies Bid Opportunity - 12/3/11

Your message

From: Owens, Lissa <[Lissa.Owens@scientificgames.com](mailto:Lissa.Owens@scientificgames.com)>

To: Owens, Lissa <[Lissa.Owens@scientificgames.com](mailto:Lissa.Owens@scientificgames.com)>

Subj: FW: Scientific Games Printing Services & Ink Supplies Bid Opportunity - 12/3/11

Sent: 2011-12-03 21:50

was relayed to the following recipient(s):

 Tx. Gov't Code  
\$552.137

Unfortunately, the remote mail system does not support confirmation of actual delivery. Unless the final delivery fails, this will be the only delivery status notification sent.



Message

Message Tracking Reply Reply to All Forward Delete Move to Folder Create Rule Other Actions Block Sender Junk E-mail Safe Lists Categorize Follow Up Mark as Unread Find Related Select

From: Owens, Lissa Sent: Sat 12/3/2011 9:51 PM  
 To: Owens, Lissa **Tx. Gov't Code**  
 Cc: **\$552.137**  
 Bcc: [REDACTED]  
 Subject: FW: Scientific Games Printing Services & Ink Supplies Bid Opportunity - 12/3/11

Message: TX Lottery - Printing Services rev4 RFQ.docx (108 KB) TX Lottery - Ink Supplies RFQ.docx (108 KB)

Scientific Games, a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers is sourcing qualified, certified HUB's in the state of Texas who can provide the following products and/or services pending a contract award of the Texas Lottery RFP 362-12-0001:

- Printing Services and Ink Supplies

Please see the attached RFQ (Request for Quotation) and, if interested, provide your response by the deadline of December 13<sup>th</sup>, 2011 – 5:pm CST (Central Standard Time).

Contact me should you have any questions concerning this solicitation.

Thank you.

**Lissa J. Owens**  
 Sr. Buyer & Diversity Program Manager  
 Scientific Games  
 (770) 664-3718 office  
 (678) 230-4346 cell  
 (770) 664-3882 fax



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Message

Message Tracking Reply Reply to All Forward Delete Move to Folder Create Rule Other Actions Block Sender Not Junk Safe Lists Categorize Follow Up Mark as Unread Find Related Select

Show Respond Actions Junk E-mail Options Find

You forwarded this message on 12/5/2011 2:01 PM.

From: Owens, Lissa Sent: Sat 12/3/2011 9:16 PM  
 To: Owens, Lissa  
 Cc: [REDACTED]  
 Bcc: [REDACTED]  
 Subject: Scientific Games Printing Services Bid Opportunity - 12/3/11

Tx. Gov't Code  
\$552.137

Message TX Lottery - Printing Services rev4 RFQ.docx (108 KB)

Scientific Games, a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers is sourcing qualified, certified HUB's in the state of Texas who can provide the following products and/or services pending a contract award of the Texas Lottery RFP 362-12-0001:

- Printing Services

Please see the attached RFQ (Request for Quotation) and, if interested, provide your response by the deadline of December 13<sup>th</sup>, 2011 – 5:pm CST (Central Standard Time).

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Thank you.

*Lissa J. Owens*  
 Sr. Buyer & Diversity Program Manager  
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 (770) 664-3882 fax



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Message

Message Tracking | Reply | Reply Forward to All | Delete | Move to Folder | Create Folder | Other Rule Actions | Block Sender | Safe Lists | Not Junk | Categorize | Follow Up | Mark as Unread | Find | Related | Select | Find

Show | Respond | Actions | Junk E-mail | Options | Find

From: Owens, Lissa  
To: Owens, Lissa  
Cc: [REDACTED]  
Subject: Scientific Games Printing Services Bid Opportunity - 12/3/11

Sent: Mon 12/5/2011 8:17 AM

**Tx. Gov't Code**  
**\$552.137**

Message | TX Lottery - Printing Services rev4 RFQ.docx (108 KB)

Scientific Games, a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers is sourcing qualified, certified HUB's in the state of Texas who can provide the following products and/or services pending a contract award of the Texas Lottery RFP 362-12-0001:

- Printing Services

Please see the attached RFQ (Request for Quotation) and, if interested, provide your response by the deadline of December 13<sup>th</sup>, 2011 – 5:pm CST (Central Standard Time).

Contact me should you have any questions concerning this solicitation.

Thank you.

*Lissa J. Owens*  
Sr. Buyer & Diversity Program Manager  
Scientific Games  
(770) 664-3718 office  
(678) 230-4346 cell  
(770) 664-3882 fax



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# Scientific Games International, Inc. Request for Qualifications (RFQ)

## Printing Services

12/03/11

### 1. Introduction

#### 1.1 Background

Scientific Games Corporation (Scientific Games or SG) is a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers. The Company's products and products include instant lottery games, lottery gaming systems, terminals and products, and Internet applications, as well as server-based interactive gaming machines and associated gaming control systems. SG is divided into three business segments: Printed Products Group, Lottery Systems Group and Diversified Gaming Group. Printed Products Group is a provider of instant lottery tickets in the world. The Company's Lottery Systems Group is a provider of customized computer software, software support, equipment and data communication products to lotteries. Its Diversified Gaming Group provides products and systems to private and public operators in the wide area gaming industry.

#### 1.2 Intent & Objective of the RFQ

The intent & objective of this RFQ is to identify capable, qualified, experienced and cost competitive suppliers including certified Historically Underutilized Businesses (HUB's) in the state of Texas who can provide *Printing Services* contingent upon SG being awarded a contract under Texas Lottery RFP 362-12-0001. SG is requesting proposals for these products and if awarded the Texas Lottery Commission (TLC) contract, SG will then proceed with finalizing an award of this RFQ.

SG may award one or more Subcontracts as a result of this procurement. Following notification of award and subsequent successful negotiation if required, SG intends to enter into a Subcontract with the Successful Bidder(s) and the Successful Bidder(s) will then be a Subcontractor to SG.

### 2. Scope

#### 2.1 Scope

The information below is intended to give the Supplier an idea of the overall scope required as part of this RFQ. The services outlined are estimates only and do not constitute volume guarantees or commitments. SG will further refine its needs prior to award and communicate those to selected Supplier(s).

#### 2.2 Service Specifications

Supplier shall print Point of Sale Instant Ticket Samples with the following dimensions:

- Size: 4" x 4", 10pt
- Coated: 2 Sides
- 4 Color
- 4 Sided Bleed

Tickets are to be printed in the below estimated quantities per game for the following Texas locations:

CITY	QTY/GAME
Austin	15,040
Dallas/Ft. Worth	3,650
El Paso	450
Houston	4,240
Lubbock	1,150
McAllen	800
San Antonio	1,310
Tyler	1,330
Victoria	990

Total	30,000 pieces/game
Approx.	40 games/year

**2.3 Other Specifications**

- Ship to Location: Alpharetta, Georgia

**3. Instructions to Suppliers**

**3.1 RFQ Responses & Submission of Proposals**

**A. Suppliers should submit:**

- An email to SG Contact indicated in Section 3.3 by the RFQ deadline, with the electronic proposal as an attachment

**B. Proposals must include the following:**

- Completed Appendix A – Qualitative Questions
- Completed Appendix B – Proposal Response
- Attach Supporting Documentation for the above

**3.2 RFQ Process and Timing**

The timeline for this RFQ process is aggressive; proposals are due by COB on the date listed below. SG in its sole discretion may enter into contract negotiations/discussions with the Supplier(s) who submit proposals found to best meet the needs of this initiative.

Potential Suppliers are advised to review all sections of this RFQ carefully and to follow instructions completely, failure to make a complete submission as described elsewhere herein may result in rejection of the proposal and disqualification of the Supplier from further participation.

Proposals that depart from or materially alter the terms, requirements, or scope of work defined by this RFQ may be rejected for being non-responsive.

**Table 3.2 Key RFQ Dates:**

Activity	Date
RFQ sent out to suppliers	December 3, 2011
Supplier Response Deadline – Notice of Intent to Award	December 13, 2011 – 5pm CST
Supplier Selection <ul style="list-style-type: none"> <li>• Contract contingent upon TLC RFP Award, SG Compliance Review and mutual acceptance of Terms &amp; Conditions</li> </ul>	December 20, 2011

**3.3 Communications, Inquiries and Questions**

Your interest in working with SG is welcomed; however, SG will only answer submitted questions if SG solely determines the question is critical to the success of the RFQ process. Responses will be circulated to all bidders. During the period from your company’s receipt of this RFQ until a contract is awarded, ANY and ALL communication, including questions, concerning this RFQ should ONLY be directed to the RFQ Administrator specified below.

Contact: Lissa Owens  
Scientific Games  
Procurement Department  
Email: lissa.owens@scientificgames.com  
Phone: (770) 664-3718

When submitting an e-mail, please include the RFQ NAME and your company name in the subject heading of the message. Inquiries should make specific reference to the sections and page numbers from this RFQ, where applicable.

## **4. RFQ Terms and Conditions**

It is consented that by submitting a proposal, the Supplier is in agreement with the following RFQ terms and conditions. If there is an objection to these terms, the Supplier must note those objections in their response.

### **4.1 Contracting Period**

A contract will be contingent upon;

- SG being awarded the Texas Lottery contract referenced in this RFQ
- Selected suppliers passing SG's internal Compliance with Law and Background Screening
- SG and Supplier mutually agreeing upon Terms and Conditions

The contracted products are anticipated to begin in *July 1, 2012*. All awarded subcontracting opportunities are for one (1) year with options to renew.

### **4.2 Invoicing and Payment Processing**

Invoice charges must match agreed-upon contract pricing. All invoices should show all applicable charges. Invoices should have capability to be submitted in both printed form and Electronic Data Interchange (EDI) or Internet standard formats. Invoices shall be consolidated monthly and payable by SG thirty (30) days after receipt. In the event of a legitimate dispute with regard to errors on an invoice, SG has the right to withhold payment of any disputed amount on such invoice while the parties attempt to resolve the disputed amount in accordance with the dispute resolution procedures specified in the contract.

### **4.3 Insurance**

SG is either self-insured or maintains a coverage policy; therefore, all bids must be exclusive of insurance costs. Supplier shall at all times during the term of this agreement have and maintain in full force and effect the following insurance coverage with reliable insurance companies acceptable to SG:

- a) Bodily Injury and Property Damage (\$1 million comprehensive)
- b) Commercial Auto Liability with Bodily Injury and Property Damage, including Owned, Non-Owned and Hired Auto Liability (\$500,000)
- c) Statutory Workers' Compensation as required by applicable law and Employer's Liability (or state approved self-insurance).

Supplier shall also provide SG additional insured status and waiver of subrogation in SG's favor

### **4.4 Duration and Availability of Proposed Prices**

The prices, terms and conditions specified in the Supplier's proposal must be valid for a period of one hundred twenty (120) days from the due date of the proposals. Once a contract is signed, the prices must remain valid for the term of that contract and any subsequent extension(s); unless SG agrees in writing that the pricing should be modified.

### **4.5 Statement of Non-Commitment**

This RFQ is not an offer to enter into an agreement with any Supplier; it is a request to receive proposals from Suppliers interested in providing SG products and products specified within. SG reserves the right to reject all proposals, in whole or in part, and/or enter into discussions with any party to provide such products. SG will not have any obligation to the Supplier unless and until it has entered into a written agreement with the Supplier on terms and conditions satisfactory to SG. SG entering into negotiations with the Supplier with respect to any proposal or otherwise shall not be deemed to be an acceptance of such proposal or an

agreement with the Supplier. Supplier-specific information (such as names, contact information, or pricing data) is used solely for Supplier selection on behalf of SG.

#### **4.6 Supplier Demonstration of Proposed Capabilities, Products and/or Products**

At the discretion of SG, the Supplier must be prepared to provide any evidence of experience, performance, ability, and/or financial surety that SG deems necessary to fully establish the performance capabilities represented in their proposal. Any required confirmation must be provided in writing to SG without cost to SG.

#### **4.7 Ownership of Proposals**

Proposals and any other materials submitted by a Bidder in response to this RFQ will become the exclusive property of SG upon receipt and will not be returned.

#### **4.8 Execution of Contract**

Once the evaluation of the proposals and the Supplier selection are complete, the selected proposal(s), if any, and this RFQ will serve as the basis for a contract that will be negotiated and executed between SG and the selected Supplier(s). This RFQ and the proposal will likely be attached to the contract as exhibits.

#### **4.9 Oral Agreements or Arrangements**

Any alleged oral agreements or arrangements made by the Supplier with any SG agent or employee will be disregarded in any proposal evaluation or associated award.

#### **4.10 Independent Price Determinants**

The Supplier shall warrant, represent, and certify that the following requirements have been met in connection with their proposal for this RFQ:

The prices proposed have been arrived at independently, without consultation, communication, or agreement for the purpose of restricting competition as to any matter relating to such process with any other organization or with any competitor; unless otherwise required by law, the pricing proposed has not been knowingly disclosed by the Supplier on a prior basis directly or indirectly to any other organization or to any competitor; and no attempt has been made, or will be made, by the proposed to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

#### **4.11 Payments Against a Contract Award**

Under no circumstances shall the successful Supplier begin to perform under a contract prior to the effective date of such contract. SG shall assume no liability for payments under the terms of the contract until the successful Supplier is notified that the contract has been accepted by SG. In no case shall a successful Supplier bill SG prices in excess of the price indicated in the final contract agreed to and accepted by SG. Any authorized or agreed additional charges can only be approved for payment by means of an amendment to the contract.

#### **4.12 No SG Liability for Proposal Costs**

SG is not liable for any costs incurred by Bidders as a result of responding to this RFQ.

#### **4.13 Proposal Disclosure Prohibition**

Disclosure of Proposal contents by a Bidder to any third party prior to Subcontract Award in this procurement may result in disqualification.

#### **4.14 Conflict of Interest**

A Bidder shall not give money or any other thing of value to members of SG's evaluation committee or to any employee of SG.

#### **4.15 Approval of Subcontract**

The Texas Department of Revenue, Lottery Division, retains the right to approve each Subcontractor. Such approval shall not be unreasonably withheld.

#### **4.16 Probity Investigations of Subcontractor**

The Texas Department of Revenue, Lottery Division, shall have the right to conduct probity investigations of any Subcontractor prior to and during the term of its Subcontract with SG.

#### **4.17 SG' Right to Audit and Access to Records, Record Keeping and Record Transfer**

The Supplier shall prepare, maintain and preserve all records with respect to the administration of this program. During the term of the contract, SG shall have access during normal business hours to all such records, in whatever form they exist or are stored. The Supplier shall afford the officers, attorneys, accountants, auditors, and other authorized representatives of SG free and full access to the records to be maintained by the Supplier pertinent to the RFQ.

At the option of SG, periodic audits may, at reasonable times, be made of the successful Suppliers' and all of their sub-contractors' books and records insofar as they pertain to the contract. Such audits shall be made at SG's expense by SG, or independent public accountants designated by SG. Said books and records shall be made available by the Supplier to the Auditors of SG. In the case that any discrepancy or breach of contract is discovered, all auditing expenses will be charged to the Supplier in addition to any legal settlements.

#### **4.18 Confidentiality and Care of Data**

The Supplier agrees to protect the confidentiality of any files, data or other materials pertaining to this RFQ and any resulting contract and to restrict their use solely for the purpose of completing this RFQ or fulfilling a resulting contract. The Supplier shall take all steps necessary to safeguard data, files, reports or other information from loss, destruction or erasure. Any costs or expenses of replacing or damages resulting from the loss of such data shall be borne by the Supplier when such loss or damage occurred through its negligence.

#### **4.19 Compliance with Law and Background Screening**

Supplier specifically acknowledges that SG is subject to the gaming and licensing requirements of various jurisdictions and is obliged to take reasonable efforts to determine the suitability of its business associates. Supplier agrees to cooperate fully with SG in providing it with any information, of whatever nature, that SG deems necessary or appropriate in assuring itself that Supplier possesses the good character, honesty, integrity, and reputation applicable to those engaged in the gaming industry and Supplier specifically represents that there is nothing in Supplier's background, history, or reputation that would be deemed unsuitable under the standards applicable to the gaming industry. If, during the term of any Agreement, SG is notified by any regulatory agency that the conduct of business with Supplier will jeopardize SG, or its affiliates', license or ability to be licensed or if SG concludes that Supplier fails to meet the above criteria, this Agreement shall terminate upon written notice by SG.

In addition, by responding to this RFQ Supplier represents and warrants, and, if selected shall be expected to provide representations and warranties in any contract entered into between the parties concerning, compliance with all laws, including but not limited to, applicable anti-corruption, competition, licensing, and registration laws, including the Foreign Corrupt Practices Act (FCPA); and with any applicable laws, regulations, and administrative requirements promulgated under the OECD Convention on Combating Bribery of Foreign Public Officials; and other similar representations and warranties.

Individual Supplier employees or subcontractors assigned to perform products at or on behalf of Supplier and who are to be granted (a) unescorted physical access rights to any Supplier's facility (as determined by SG), or (b) any local or remote network access rights, must submit to and pass SG standard state and federal felony and misdemeanor records screening. Screening shall include social security verification and corresponding information attached to the social security number. County and or municipal checks shall be conducted as required or to further obtain charge or case specifics and determine eligibility for work. Certain Products performed by Supplier may also require credit history screening and or national records screening via fingerprint card applications sent to the FBI/DOJ for processing as dictated by SG' customer contract requirements. Follow up searches may be conducted annually thereafter.

All respondents must answer questions 1-7 in the table below. Please enter your responses using as much space as necessary.

No.	Question	Response
1	Provide the official contact person (including name, phone, fax, e-mail address) with whom SG shall communicate regarding this RFQ.	
2	Provide your Texas Payee ID or Federal ID Number	
3	Confirm your company status as either a; certified HUB in the state of Texas, or a Minority or Woman Trade Organization. <u>Attach valid certificates and/or supporting documentation.</u>	
4	Indicate whether your firm has been or is the subject of a bankruptcy or insolvency proceeding or subject of assignment for benefit of creditors.	
5	Please provide a brief background on your company, including information on how long your company has been in business, ownership structure, location of your offices, and number of employees.	
6	Please confirm you have the State licenses, permits, certificates and authorizations needed to provide these products.	
7	<p>Supply a minimum of two (2) references that will attest to your ability (in the last three years) to provide products similar in scope to those outlined. For each reference, provide the following information:</p> <ul style="list-style-type: none"> <li>• The client organization's name, mailing address, contact name, telephone number and email address</li> <li>• The approximate period during which the products were provided</li> <li>• A summary of the type, quantity, and scope s</li> </ul>	



**PRINTING OF POINT OF SALE INSTANT TICKET SAMPLES**

ITEM	DESCRIPTION OF SERVICES REQUIRED	UNIT	QTY	UNIT COST(\$)	TOTAL(\$)
1	Printing of Point of Sale Instant Ticket Samples (size 4" x 4", 10pt, 4 Color, 4 Sided Bleed, coated 2 sides, shrink wrapped in 50 pieces)				
	<b>TOTAL PRICE</b>				

Company Name	Date
Contact Name	Signature



# TEXAS LOTTERY COMMISSION

Transportation Services



# HSP Good Faith Effort - Method B (Attachment B)

(Rev. 10/11)

Enter your company's name here: Scientific Games

Requisition #: 362-12-0001

**IMPORTANT:** If you responded "No" to SECTION 2, Items c and d of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method B (Attachment B)" for **each** of the subcontracting opportunities you listed in SECTION 2, Item b of the completed HSP form. You may photo-copy this page or download the form at <http://www.window.state.tx.us/procurement/prog/hub/hub-forms/HUBSubcontractingPlanAttachment-B.doc>

## SECTION B-1 SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing this attachment.

Item #: 4 Description: Transportation Services

## SECTION B-2 MENTOR PROTÉGÉ PROGRAM

If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in SECTION B-1, constitutes a good faith effort to subcontract with a Texas certified HUB towards that specific portion of work.

Check the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé.

- Yes (If Yes, to continue to SECTION B-4.)

- No / Not Applicable (If No or Not Applicable, continue to SECTION B-3.)

## SECTION B-3 NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

When completing this section you **MUST** comply with items a, b, c and d, thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and minority or women trade organizations or development centers about the subcontracting opportunity you listed in SECTION B-1. Your notice should include the scope of work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person.

When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at <http://www.window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan/>

Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and minority or women trade organizations or development centers.

- Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HUBs at least seven (7) working days to respond to the notice prior to your submitting your bid response to the contracting agency. When searching for Texas certified HUBs, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) and Historically Underutilized Business (HUB) Search directory located at <http://www.window.state.tx.us/procurement/cmb/cmbhub.html>. HUB Status code "A" signifies that the company is a Texas certified HUB.
- List the three (3) Texas certified HUBs you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company's Vendor ID (VID) number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

Company Name	VID #	Date Notice Sent (mm/dd/yyyy)	Did the HUB Respond?
Barton Endeavors, Inc.	1208209050200	12 / 02 / 11	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No
KJK Logistics Incorporated	1264005184800	12 / 02 / 11	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No
MKT Enterprises, Inc.	1760552613000	12 / 02 / 11	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No

- Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to minority or women trade organizations or development centers to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to minority or women trade organizations or development centers at least seven (7) working days prior to submitting your bid response to the contracting agency.

A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program's webpage at <http://www.window.state.tx.us/procurement/prog/hub/mwb-links-1/>

- Enter the name of the minority or women trade organizations or development centers you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the date when you sent notice to it and indicate if it accepted or rejected your notice.

Minority/Women Trade Organizations or Development Centers	Date Notice Sent (mm/dd/yyyy)	Was the Notice Accepted?
Women's Business Council - Southwest	12 / 02 / 11	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No
Southwest Minority Supplier Development	12 / 02 / 11	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No

# HSP Good Faith Effort - Method B (Attachment B) *Cont.*

Enter your company's name here: Scientific Games Requisition #: 362-12-0001

## SECTION B-4 SUBCONTRACTOR SELECTION

a. List the subcontractor(s) you selected to perform the subcontracting opportunity you listed in SECTION B-1. Also identify whether they are a Texas Certified HUB and their VID number, the approximate dollar value of the work to be subcontracted, the expected percentage of work to be subcontracted, and indicate whether the company is a Texas certified HUB.

Company Name	Texas Certified HUB	VID # <small>(Required if Texas Certified HUB)</small>	Approximate Dollar Amount	Expected Percentage of Contract
KJK Logistics Incorporated (VID# 1264005184800)	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No	1264005184	\$165,000	3.30%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

b. If any of the subcontractors you have selected to perform the subcontracting opportunity you listed in SECTION B-1 is **not** a Texas certified HUB, provide written justification for your selection process (attach additional page if necessary):

**REMINDER:** As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to **all** the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity it (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.

Tx. Gov't Code  
 §552.137

# Results for HUBs only Search

CMBL/HUB Vendor Detail	
Vendor ID / Number:	1760552613000 / 83468
HUB Status:	A (HUB on CMBL)
HUB Expire Date:	31-MAR-15
Vendor Name:	MKT ENTERPRISES, INC.
Vendor Address:	PO BOX 1495 LEAGUE CITY, TX 77574-1495 USA
County:	GALVESTON
Contact:	President/Paula L. Towner
Phone / Fax:	281-332-5046 / 281-332-5695
Email Address:	[REDACTED]
Ethnicity / Gender:	WO / F
Business Description:	delivery service providing all types of deliveries through out South East Texas.
Business Category:	OTHER SERVICES INCLUDING LEGAL SERVICES (06)
Small Business:	Y

Comptroller's Tax Status This Vendor

Comptroller Lookup Any Vendor

Vendor Performance	Score	# of POs
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:		
Exceptional Performance Reports:		

1 vendor found where vendor name begins with 'mkt'.

Tx. Gov't Code  
§552.137

# Results for HUBs only Search

CMBL/HUB Vendor Detail	
Vendor ID / Number:	1208209050200 / 58724
HUB Status:	<u>A</u> (HUB only)
HUB Expire Date:	28-JAN-13
Vendor Name:	BARTON ENDEAVORS, INC.
Vendor Address:	P. O. BOX 1646 MEDINA, TX 78055-1646
County:	BANDERA
Contact:	Pres./Lamanda R. Barton
Phone / Fax:	830-589-3253 / 830-589-3293
Email Address:	[REDACTED]
Ethnicity / Gender:	WO / F
Business Description:	Freight Transport.
Business Category:	OTHER SERVICES INCLUDING LEGAL SERVICES (06)
Small Business:	Y
Reason Off CMBL:	<u>N</u>

## Comptroller's Tax Status This Vendor

## Comptroller Lookup Any Vendor

<u>Vendor Performance</u>	<u>Score</u>	<u># of POs</u>
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:		
Exceptional Performance Reports:		

1 vendor found where vendor name begins with 'barton endeavors'.

Tx. Gov't Code  
§552.137

# Results for HUBs only Search

CMBL/HUB Vendor Detail	
Vendor ID / Number:	1264005184800 / 62513
HUB Status:	A (HUB on CMBL)
HUB Expire Date:	31-JUL-13
Vendor Name:	KJK LOGISTICS INCORPORATED
Vendor Address:	115 HAHNE BANDERA, TX 78003-6113 USA
County:	BANDERA
Contact:	President/Kristy J Kroll
Phone / Fax:	830-928-1717 / 210-247-9379
Email Address:	[REDACTED]
Ethnicity / Gender:	WO / F
Business Description:	Transportation of freight via truckload,expedited truck, domestic air charter, international air & ocean.
Business Category:	OTHER SERVICES INCLUDING LEGAL SERVICES (06)
Small Business:	Y

Comptroller's Tax Status This Vendor

Comptroller Lookup Any Vendor

<u>Vendor Performance</u>	<u>Score</u>	<u># of POs</u>
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:		
Exceptional Performance Reports:		

*1 vendor found where vendor name begins with 'Kjk logistics'.*

Owens, Lissa

---

**From:** [REDACTED]  
**Sent:** Friday, December 02, 2011 5:09 PM  
**To:** Owens, Lissa  
**Subject:** Delivered: Scientific Games Transportation Services Opportunity - 12/2/11  
**Attachments:** delivery-status.txt

Your message was delivered to the recipient.



**Owens, Lissa**

---

**From:** System Administrator [postmaster@cont.scientificgames.com]  
**ent:** Friday, December 02, 2011 4:57 PM  
**ro:** Owens, Lissa  
**Subject:** Relay report: 2.0.2 (Message relayed)  
**Attachments:** delivery-status.txt; message-header.txt; Scientific Games Transportation Services Opportunity - 12/2/11

Your message

From: Owens, Lissa <[Lissa.Owens@scientificgames.com](mailto:Lissa.Owens@scientificgames.com)>

To: Owens, Lissa <[Lissa.Owens@scientificgames.com](mailto:Lissa.Owens@scientificgames.com)>

Subj: Scientific Games Transportation Services Opportunity - 12/2/11

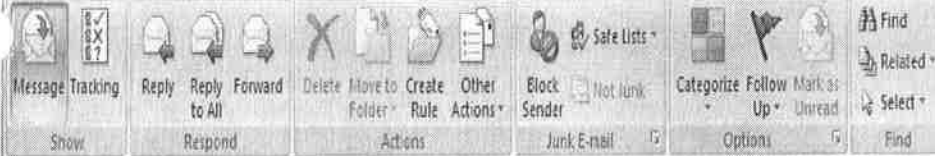
Sent: 2011-12-02 16:56

was relayed to the following recipient(s):



Tx. Gov't Code  
\$552.137

Unfortunately, the remote mail system does not support confirmation of actual delivery. Unless the final delivery fails, this will be the only delivery status notification sent.



From: Owens, Lissa

Tx. Gov't Code

Sent: Fri 12/2/2011 4:56 PM

To: Owens, Lissa

\$552.137

Cc:

Bcc:

Subject: Scientific Games Transportation Services Opportunity - 12/2/11

Message TX Lottery - Transportation rev1 RFQ.docx

Scientific Games, a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers is sourcing qualified, certified HUB's in the state of Texas who can provide the following products and/or services pending a contract award of the Texas Lottery RFP 362-12-0001:

- Transportation Services

Please see the attached RFQ (Request for Quotation) and, if interested, provide your response by the deadline of December 13<sup>th</sup>, 2011 – 5:pm CST (Central Standard Time).

Contact me should you have any questions concerning this solicitation.

Thank you.

*Lissa J. Owens*

Sr. Buyer & Diversity Program Manager

Scientific Games

(770) 664-3718 office

(678) 230-4346 cell

(770) 664-3882 fax



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# Scientific Games International, Inc. Request for Qualifications (RFQ)

## Transportation Services

12/02/11

### 1. Introduction

#### 1.1 Background

Scientific Games Corporation (Scientific Games or SG) is a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers. The Company's products and products include instant lottery games, lottery gaming systems, terminals and products, and Internet applications, as well as server-based interactive gaming machines and associated gaming control systems. SG is divided into three business segments: Printed Products Group, Lottery Systems Group and Diversified Gaming Group. Printed Products Group is a provider of instant lottery tickets in the world. The Company's Lottery Systems Group is a provider of customized computer software, software support, equipment and data communication products to lotteries. Its Diversified Gaming Group provides products and systems to private and public operators in the wide area gaming industry.

#### 1.2 Intent & Objective of the RFQ

The intent & objective of this RFQ is to identify capable, qualified, experienced and cost competitive suppliers including certified Historically Underutilized Businesses (HUB's) in the state of Texas who can provide *Transportation Services* contingent upon SG being awarded a contract under Texas Lottery RFP 362-12-0001. SG is requesting proposals for these products and if awarded the Texas Lottery Commission (TLC) contract, SG will then proceed with finalizing an award of this RFQ.

SG may award one or more Subcontracts as a result of this procurement. Following notification of award and subsequent successful negotiation if required, SG intends to enter into a Subcontract with the Successful Bidder(s) and the Successful Bidder(s) will then be a Subcontractor to SG.

### 2. Scope

#### 2.1 Scope

The information below is intended to give the Supplier an idea of the overall scope required as part of this RFQ. The services outlined are estimates only and do not constitute volume guarantees or commitments. SG will further refine its needs prior to award and communicate those to selected Supplier(s).

#### 2.2 Service Specifications

Supplier shall provide dedicated, secure, fully enclosed and locking trucks for delivery of instant tickets from Alpharetta, GA to Austin, TX

- Annual Truck Volume: 55-60
- Truck Size: 40ft
- Approx. Truck Weight: 20 tons
- Truck QTY/Month: 4-5

#### 2.3 RFQ Responses & Submission of Proposals

##### A. Suppliers should submit:

- An email to SG Contact indicated in Section 3.3 by the RFQ deadline, with the electronic proposal as an attachment

**B. Proposals must include the following:**

- Completed Appendix A – Qualitative Questions
- Completed Appendix B – Proposal Response
- Attached Supporting Documentation for the above

**2.4 RFQ Process and Timing**

The timeline for this RFQ process is aggressive; proposals are due by COB on the date listed below. SG in its sole discretion may enter into contract negotiations/discussions with the Supplier(s) who submit proposals found to best meet the needs of this initiative.

Potential Suppliers are advised to review all sections of this RFQ carefully and to follow instructions completely, failure to make a complete submission as described elsewhere herein may result in rejection of the proposal and disqualification of the Supplier from further participation.

Proposals that depart from or materially alter the terms, requirements, or scope of work defined by this RFQ may be rejected for being non-responsive.

**Table 3.2 Key RFQ Dates:**

Activity	Date
RFQ sent out to suppliers	December 2, 2011
Supplier Response Deadline	December 13, 2011 – 5pm CST
Supplier Selection – Notice of Intent to Award <ul style="list-style-type: none"><li>• Contract contingent upon TLC RFP Award, SG Compliance Review and mutual acceptance of Terms &amp; Conditions</li></ul>	December 20, 2011

**2.5 Communications, Inquiries and Questions**

Your interest in working with SG is welcomed; however, SG will only answer submitted questions if SG solely determines the question is critical to the success of the RFQ process. Responses will be circulated to all bidders. During the period from your company’s receipt of this RFQ until a contract is awarded, ANY and ALL communication, including questions, concerning this RFQ should ONLY be directed to the RFQ Administrator specified below.

Contact: Lissa Owens  
Scientific Games  
Procurement Department  
Email: lissa.owens@scientificgames.com  
Phone: (770) 664-3718

When submitting an e-mail, please include the RFQ NAME and your company name in the subject heading of the message. Inquiries should make specific reference to the sections and page numbers from this RFQ, where applicable.

**3. RFQ Terms and Conditions**

It is consented that by submitting a proposal, the Supplier is in agreement with the following RFQ terms and conditions. If there is an objection to these terms, the Supplier must note those objections in their response.

**3.1 Contracting Period**

A contract will be contingent upon;

- SG being awarded the Texas Lottery contract referenced in this RFQ
- Selected suppliers passing SG’s internal Compliance with Law and Background Screening
- SG and Supplier mutually agreeing upon Terms and Conditions

The contracted products are anticipated to begin in *July 1, 2012*. All awarded subcontracting opportunities are for one (1) year with options to renew.

### **3.2 Invoicing and Payment Processing**

Invoice charges must match agreed-upon contract pricing. All invoices should show all applicable charges. Invoices should have capability to be submitted in both printed form and Electronic Data Interchange (EDI) or Internet standard formats. Invoices shall be payable by SG thirty (30) days after receipt. In the event of a legitimate dispute with regard to errors on an invoice, SG has the right to withhold payment of any disputed amount on such invoice while the parties attempt to resolve the disputed amount in accordance with the dispute resolution procedures specified in the contract.

### **3.3 Insurance**

SG is either self-insured or maintains a coverage policy; therefore, all bids must be exclusive of insurance costs. Supplier shall at all times during the term of this agreement have and maintain in full force and effect the following insurance coverage with reliable insurance companies acceptable to SG:

- a) Bodily Injury and Property Damage (\$1 million comprehensive)
- b) Commercial Auto Liability with Bodily Injury and Property Damage, including Owned, Non-Owned and Hired Auto Liability (\$500,000)
- c) Statutory Workers' Compensation as required by applicable law and Employer's Liability (or state approved self-insurance).

Supplier shall also provide SG additional insured status and waiver of subrogation in SG's favor

### **3.4 Duration and Availability of Proposed Prices**

The prices, terms and conditions specified in the Supplier's proposal must be valid for a period of one hundred twenty (120) days from the due date of the proposals. Once a contract is signed, the prices must remain valid for the term of that contract and any subsequent extension(s); unless SG agrees in writing that the pricing should be modified.

### **3.5 Statement of Non-Commitment**

This RFQ is not an offer to enter into an agreement with any Supplier; it is a request to receive proposals from Suppliers interested in providing SG products and products specified within. SG reserves the right to reject all proposals, in whole or in part, and/or enter into discussions with any party to provide such products. SG will not have any obligation to the Supplier unless and until it has entered into a written agreement with the Supplier on terms and conditions satisfactory to SG. SG entering into negotiations with the Supplier with respect to any proposal or otherwise shall not be deemed to be an acceptance of such proposal or an agreement with the Supplier. Supplier-specific information (such as names, contact information, or pricing data) is used solely for Supplier selection on behalf of SG.

### **3.6 Supplier Demonstration of Proposed Capabilities, Products and/or Products**

At the discretion of SG, the Supplier must be prepared to provide any evidence of experience, performance, ability, and/or financial surety that SG deems necessary to fully establish the performance capabilities represented in their proposal. Any required confirmation must be provided in writing to SG without cost to SG.

### **3.7 Ownership of Proposals**

Proposals and any other materials submitted by a Bidder in response to this RFQ will become the exclusive property of SG upon receipt and will not be returned.

### **3.8 Execution of Contract**

Once the evaluation of the proposals and the Supplier selection are complete, the selected proposal(s), if any, and this RFQ will serve as the basis for a contract that will be negotiated and executed between SG and the selected Supplier(s). This RFQ and the proposal will likely be attached to the contract as exhibits.

### **3.9 Oral Agreements or Arrangements**

Any alleged oral agreements or arrangements made by the Supplier with any SG agent or employee will be disregarded in any

proposal evaluation or associated award.

### **3.10 Independent Price Determinants**

The Supplier shall warrant, represent, and certify that the following requirements have been met in connection with their proposal for this RFQ:

The prices proposed have been arrived at independently, without consultation, communication, or agreement for the purpose of restricting competition as to any matter relating to such process with any other organization or with any competitor; unless otherwise required by law, the pricing proposed has not been knowingly disclosed by the Supplier on a prior basis directly or indirectly to any other organization or to any competitor; and no attempt has been made, or will be made, by the proposed to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

### **3.11 Payments Against a Contract Award**

Under no circumstances shall the successful Supplier begin to perform under a contract prior to the effective date of such contract. SG shall assume no liability for payments under the terms of the contract until the successful Supplier is notified that the contract has been accepted by SG. In no case shall a successful Supplier bill SG prices in excess of the price indicated in the final contract agreed to and accepted by SG. Any authorized or agreed additional charges can only be approved for payment by means of an amendment to the contract.

### **3.12 No SG Liability for Proposal Costs**

SG is not liable for any costs incurred by Bidders as a result of responding to this RFQ.

### **3.13 Proposal Disclosure Prohibition**

Disclosure of Proposal contents by a Bidder to any third party prior to Subcontract Award in this procurement may result in disqualification.

### **3.14 Conflict of Interest**

A Bidder shall not give money or any other thing of value to members of SG's evaluation committee or to any employee of SG.

### **3.15 Approval of Subcontract**

The Texas Department of Revenue, Lottery Division, retains the right to approve each Subcontractor. Such approval shall not be unreasonably withheld.

### **3.16 Probity Investigations of Subcontractor**

The Texas Department of Revenue, Lottery Division, shall have the right to conduct probity investigations of any Subcontractor prior to and during the term of its Subcontract with SG.

### **3.17 SG' Right to Audit and Access to Records, Record Keeping and Record Transfer**

The Supplier shall prepare, maintain and preserve all records with respect to the administration of this program. During the term of the contract, SG shall have access during normal business hours to all such records, in whatever form they exist or are stored. The Supplier shall afford the officers, attorneys, accountants, auditors, and other authorized representatives of SG free and full access to the records to be maintained by the Supplier pertinent to the RFQ.

At the option of SG, periodic audits may, at reasonable times, be made of the successful Suppliers' and all of their sub-contractors' books and records insofar as they pertain to the contract. Such audits shall be made at SG's expense by SG, or independent public accountants designated by SG. Said books and records shall be made available by the Supplier to the Auditors of SG. In the case that any discrepancy or breach of contract is discovered, all auditing expenses will be charged to the Supplier in addition to any legal settlements.

### **3.18 Confidentiality and Care of Data**

The Supplier agrees to protect the confidentiality of any files, data or other materials pertaining to this RFQ and any resulting contract and to restrict their use solely for the purpose of completing this RFQ or fulfilling a resulting contract. The Supplier shall take all steps necessary to safeguard data, files, reports or other information from loss, destruction or erasure. Any costs or expenses of replacing or damages resulting from the loss of such data shall be borne by the Supplier when such loss or damage

occurred through its negligence.

### **3.19 Compliance with Law and Background Screening**

Supplier specifically acknowledges that SG is subject to the gaming and licensing requirements of various jurisdictions and is obliged to take reasonable efforts to determine the suitability of its business associates. Supplier agrees to cooperate fully with SG in providing it with any information, of whatever nature, that SG deems necessary or appropriate in assuring itself that Supplier possesses the good character, honesty, integrity, and reputation applicable to those engaged in the gaming industry and Supplier specifically represents that there is nothing in Supplier's background, history, or reputation that would be deemed unsuitable under the standards applicable to the gaming industry. If, during the term of any Agreement, SG is notified by any regulatory agency that the conduct of business with Supplier will jeopardize SG, or its affiliates', license or ability to be licensed or if SG concludes that Supplier fails to meet the above criteria, this Agreement shall terminate upon written notice by SG.

In addition, by responding to this RFQ Supplier represents and warrants, and, if selected shall be expected to provide representations and warranties in any contract entered into between the parties concerning, compliance with all laws, including but not limited to, applicable anti-corruption, competition, licensing, and registration laws, including the Foreign Corrupt Practices Act (FCPA); and with any applicable laws, regulations, and administrative requirements promulgated under the OECD Convention on Combating Bribery of Foreign Public Officials; and other similar representations and warranties.

Individual Supplier employees or subcontractors assigned to perform products at or on behalf of Supplier and who are to be granted (a) unescorted physical access rights to any Supplier's facility (as determined by SG), or (b) any local or remote network access rights, must submit to and pass SG standard state and federal felony and misdemeanor records screening. Screening shall include social security verification and corresponding information attached to the social security number. County and or municipal checks shall be conducted as required or to further obtain charge or case specifics and determine eligibility for work. Certain Products performed by Supplier may also require credit history screening and or national records screening via fingerprint card applications sent to the FBI/DOJ for processing as dictated by SG' customer contract requirements. Follow up searches may be conducted annually thereafter.

## Appendix A: Qualitative Questions

All respondents must answer questions 1-7 in the table below. Please enter your responses using as much space as necessary.

No.	Question	Response
1	Provide the official contact person (including name, phone, fax, e-mail address) with whom SG shall communicate regarding this RFQ.	
2	Provide your Texas Payee ID or Federal ID Number	
3	Confirm your company status as either a; certified HUB in the state of Texas, or a Minority or Woman Trade Organization. <u>Attach valid certificates and/or supporting documentation.</u>	
4	Indicate whether your firm has been or is the subject of a bankruptcy or insolvency proceeding or subject of assignment for benefit of creditors.	
5	Please provide a brief background on your company, including information on how long your company has been in business, ownership structure, location of your offices, and number of employees.	
6	Please confirm you have the State licenses, permits, certificates and authorizations needed to provide these products.	
7	<p>Supply a minimum of two (2) references that will attest to your ability (in the last three years) to provide products similar in scope to those outlined. For each reference, provide the following information:</p> <ul style="list-style-type: none"> <li>• The client organization's name, mailing address, contact name, telephone number and email address</li> <li>• The approximate period during which the products were provided</li> <li>• A summary of the type, quantity, and scope s</li> </ul>	



**Appendix B: Proposal Response**

**TRANSPORTATION SERVICES**

<b>ITEM</b>	<b>DESCRIPTION OF SERVICES REQUIRED</b>	<b>QTY</b>	<b>PRICE/ TRUCK</b>	<b>TOTAL</b>
<b>1</b>	40 Ft Dedicated (20 ton) Trucks Shipping from Alpharetta, GA to Austin, TX	55		
<b>2</b>	Fuel Surcharge (Explain method for calculating)			
<b>3</b>	Other charges			
	<b>TOTAL PRICE</b>			

Company Name	Date
Contact Name	Signature



**TEXAS LOTTERY  
COMMISSION**

**Wood Pallets**

# HSP Good Faith Effort - Method B (Attachment B)

(Rev. 10/11)

Enter your company's name here: Scientific Games

Requisition #: 362-12-0001

**IMPORTANT:** If you responded "No" to SECTION 2, Items c and d of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed in SECTION 2, Item b of the completed HSP form. You may photo-copy this page or download the form at <http://www.window.state.tx.us/procurement/prog/hub/hub-forms/HUBSubcontractingPlanAttachment-B.doc>

## SECTION B-1 SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing this attachment.

Item #: 5 Description: Wood Pallets

## SECTION B-2 MENTOR PROTÉGÉ PROGRAM

If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in SECTION B-1, constitutes a good faith effort to subcontract with a Texas certified HUB towards that specific portion of work.

Check the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé.

- Yes (If Yes, to continue to SECTION B-4.)

- No / Not Applicable (If No or Not Applicable, continue to SECTION B-3.)

## SECTION B-3 NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

When completing this section you **MUST** comply with items a, b, c and d, thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and minority or women trade organizations or development centers about the subcontracting opportunity you listed in SECTION B-1. Your notice should include the scope of work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person.

When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at <http://www.window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan/>

Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and minority or women trade organizations or development centers.

- Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HUBs at least seven (7) working days to respond to the notice prior to your submitting your bid response to the contracting agency. When searching for Texas certified HUBs, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) and Historically Underutilized Business (HUB) Search directory located at <http://www.window.state.tx.us/procurement/cmb/cmbhub.html>. HUB Status code "A" signifies that the company is a Texas certified HUB.
- List the three (3) Texas certified HUBs you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company's Vendor ID (VID) number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

Company Name	VID #	Date Notice Sent (mm/dd/yyyy)	Did the HUB Respond?
Global GPS, Inc.	1752749870700	01 / 09 / 12	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No
Industrial Solutions	1134315136800	01 / 09 / 12	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No
Texas Storage Solutions	1200026105200	12 / 05 / 11	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No

- Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to minority or women trade organizations or development centers to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to minority or women trade organizations or development centers at least seven (7) working days prior to submitting your bid response to the contracting agency.

A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program's webpage at <http://www.window.state.tx.us/procurement/prog/hub/mwb-links-1/>

- Enter the name of the minority or women trade organizations or development centers you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the date when you sent notice to it and indicate if it accepted or rejected your notice.

Minority/Women Trade Organizations or Development Centers	Date Notice Sent (mm/dd/yyyy)	Was the Notice Accepted?
Women Contractor's Association	12 / 03 / 11	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No
American Indian Chamber of Commerce-TX	01 / 09 / 12	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No

# HSP Good Faith Effort - Method B (Attachment B) *Cont.*

Enter your company's name here: Scientific Games

Requisition #: 362-12-0001

## SECTION B-4 SUBCONTRACTOR SELECTION

- a. List the subcontractor(s) you selected to perform the subcontracting opportunity you listed in **SECTION B-1**. Also identify whether they are a Texas Certified HUB and their VID number, the approximate dollar value of the work to be subcontracted, the expected percentage of work to be subcontracted, and indicate whether the company is a Texas certified HUB.

Company Name	Texas Certified HUB	VID # <small>(Required if Texas Certified HUB)</small>	Approximate Dollar Amount	Expected Percentage of Contract
Smith Brothers Pallets	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No		\$7000.00	.14%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

- b. If any of the subcontractors you have selected to perform the subcontracting opportunity you listed in SECTION B-1 is **not** a Texas certified HUB, provide written justification for your selection process (attach additional page if necessary):

Scientific Games selected the vendor, Smith Brothers Pallets, based on their ability to provide SG with the best overall value.

**REMINDER:** As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to **all** the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity it (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.

CODE: 560-54  
Pallets + Skids

Tx. Gov't Code  
\$552.137

# Results for HUBs only Search

CMBL/HUB Vendor Detail	
Vendor ID / Number:	1134315136800 / 45925
HUB Status:	A (HUB on CMBL)
HUB Expire Date:	28-JUL-13
Vendor Name:	INDUSTRIAL SOLUTIONS
Vendor Address:	P.O. BOX 500248 AUSTIN, TX 78750
County:	TRAVIS
Contact:	Owner/ Paulette Hamilton
Phone / Fax:	512-506-8070 / 512-506-8076
Email Address:	[REDACTED]
Ethnicity / Gender:	WO / F
Business Description:	Industrial Supplies distribution. We are both WBE and DBE certified
Business Category:	OTHER SERVICES INCLUDING LEGAL SERVICES (06)
Small Business:	Y

Comptroller's Tax Status This Vendor

Comptroller Lookup Any Vendor

Vendor Performance	Score	# of POs
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:		
Exceptional Performance Reports:		

1 vendor found where vendor name begins with 'industrial solutions'.

CODE: 560-54  
Pallets + Skids

Tx. Gov't Code  
\$552.137

# Results for HUBs only Search

CMBL/HUB Vendor Detail	
Vendor ID / Number:	1752749870700 / 78565
HUB Status:	A (HUB on CMBL)
HUB Expire Date:	09-OCT-13
Vendor Name:	GLOBAL GPS, INC.
Vendor Address:	519 I-30 EAST SUITE #331 ROCKWALL, TX 75087-5407 USA
County:	ROCKWALL
Contact:	Dennis
Phone / Fax:	972-771-1302 / 972-771-3881
Email Address:	[REDACTED]
Ethnicity / Gender:	WO / F
Business Description:	Corrugated Boxes Custom/Stock/Corrugated Sheets; Material Handling; Facility Maintenance/Shipping Supplies/Equipment; Freight consulting; Bookkeeping/Accounting Services; 20-40'Containers-N/U; 3PL Truckload/partials;
Business Category:	COMMODITIES WHOLESALE/RESELLER (07)
Small Business:	Y

Comptroller's Tax Status This Vendor

Comptroller Lookup Any Vendor

Vendor Performance	Score	# of POs
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:		
Exceptional Performance Reports:		

1 vendor found where vendor name begins with 'global gps'.

# Results for HUBs only Search

Tx. Gov't Code  
§552.137

CMBL/HUB Vendor Detail	
Vendor ID / Number:	1200026105200 / 83735
HUB Status:	A (HUB on CMBL)
HUB Expire Date:	13-OCT-14
Vendor Name:	TEXAS STORAGE SYSTEMS
Vendor Address:	9501 MONROE RD HOUSTON, TX 77075-2551 USA
County:	HARRIS
Contact:	Owner / Karen Cato
Phone / Fax:	713-991-1089 / 713-991-3971
Email Address:	[REDACTED]
Ethnicity / Gender:	BL / F
Business Description:	Material Handling, Lockers, Shelving, Mezzanine, Hand Trucks, Pallet Racks, Bins etc
Business Category:	COMMODITIES WHOLESALE/RESELLER (07)
Small Business:	Y

Comptroller's Tax Status This Vendor

Comptroller Lookup Any Vendor

Vendor Performance	Score	# of POs
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:		
Exceptional Performance Reports:		

1 vendor found where vendor name begins with 'texas storage systems'.



Tx. Gov't Code

\$552.137

Owens, Lissa

---

**From:** [REDACTED]  
**Content:** Saturday, December 03, 2011 9:54 PM  
**To:** Owens, Lissa  
**Subject:** Delivered: FW: Scientific Games Wood Pallets Bid Opportunity - 12/3/11  
**Attachments:** delivery-status.txt

Your message was delivered to the recipient.



Message

Message Tracking Reply Reply Forward to All Delete Move to Folder Create Rule Other Actions Block Sender Junk E-mail Safe Lists Categorize Follow Up Mark as Unread Find Related Select Find

You made changes to another copy of this item. This is the most recent version. Click here to see the other versions.

From: Owens, Lissa Sent: Sat 12/3/2011 9:43 PM  
To: Owens, Lissa  
Cc: [REDACTED] **Tx. Gov't Code**  
Bcc: [REDACTED] **\$552.137**  
Subject: FW: Scientific Games Wood Pallets Bid Opportunity - 12/3/11

Message TX Lottery - Wood Pallets RFQ rev2.docx (107 KB)

Scientific Games, a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers is sourcing qualified, certified HUB's in the state of Texas who can provide the following products and/or services pending a contract award of the Texas Lottery RFP 362-12-0001:

- Wood Pallets

Please see the attached RFQ (Request for Quotation) and, if interested, provide your response by the deadline of December 13<sup>th</sup>, 2011 – 5:pm CST (Central Standard Time).

Contact me should you have any questions concerning this solicitation.

Thank you.

**Lissa J. Owens**  
Sr. Buyer & Diversity Program Manager  
Scientific Games  
(770) 664-3718 office  
(678) 230-4346 cell  
(770) 664-3882 fax



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You forwarded this message on 12/5/2011 9:14 AM.

From: Owens, Lissa

Sent: Mon 12/5/2011 9:11 AM

To: Owens, Lissa

**Tx. Gov't Code**

Cc:

**\$552.137**

Bcc:

Subject: Scientific Games Wood Pallets Bid Opportunity - 12/5/11

Message TX Lottery - Wood Pallets RFQ rev2 12 5 11.docx (107 KB)

Scientific Games, a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers is sourcing qualified, certified HUB's in the state of Texas who can provide the following products and/or services pending a contract award of the Texas Lottery RFP 362-12-0001:

- Wood Pallets

Please see the attached RFQ (Request for Quotation) and, if interested, provide your response by the deadline of December 14<sup>th</sup>, 2011 – 5:pm CST (Central Standard Time).

*Contact me should you have any questions concerning this solicitation.*

*Thank you.*

**Lissa J. Owens**

Sr. Buyer & Diversity Program Manager

Scientific Games

(770) 664-3718 office

(678) 230-4346 cell

(770) 664-3882 fax



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Message

message Tracking Reply Reply Forward Delete Move to Create Other Block Safe Lists Categorize Follow Mark as Not Junk Junk E-mail Options Find Related Select

Show Respond Actions Junk E-mail Options Find

You made changes to another copy of this item. This is the most recent version. Click here to see the other versions.

Sent: Mon 1/9/2012 9:58 AM

From: Owens, Lissa  
 To: Owens, Lissa  
 Cc:  
 Bcc:  
 Subject: Scientific Games Wood Pallets Bid Opportunity - 1/9/12

**Tx. Gov't Code**  
**§552.137**

Message TX Lottery - Wood Pallets RFQ 1 9 12.docx (107 KB)

Scientific Games, a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers is sourcing qualified, certified HUB's in the state of Texas who can provide the following products and/or services pending a contract award of the Texas Lottery RFP 362-12-0001:

- Wood Pallets

Please see the attached RFQ (Request for Quotation) and, if interested, provide your response by the deadline of January 19<sup>th</sup>, 2012 – 5:pm CST (Central Standard Time).

Contact me should you have any questions concerning this solicitation.

Thank you.

**Lissa J. Owens**  
 Sr. Buyer & Diversity Program Manager  
 Scientific Games  
 (770) 664-3718 office  
 (678) 230-4346 cell  
 (770) 664-3882 fax



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# Scientific Games International, Inc. Request for Qualifications (RFQ)

## Wood Pallets

12/02/11

### 1. Introduction

#### 1.1 Background

Scientific Games Corporation (Scientific Games or SG) is a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers. The Company's products and products include instant lottery games, lottery gaming systems, terminals and products, and Internet applications, as well as server-based interactive gaming machines and associated gaming control systems. SG is divided into three business segments: Printed Products Group, Lottery Systems Group and Diversified Gaming Group. Printed Products Group is a provider of instant lottery tickets in the world. The Company's Lottery Systems Group is a provider of customized computer software, software support, equipment and data communication products to lotteries. Its Diversified Gaming Group provides products and systems to private and public operators in the wide area gaming industry.

#### 1.2 Intent & Objective of the RFQ

The intent & objective of this RFQ is to identify capable, qualified, experienced and cost competitive suppliers including certified Historically Underutilized Businesses (HUB's) in the state of Texas who can provide *Wood Pallets* contingent upon SG being awarded a contract under Texas Lottery RFP 362-12-0001. SG is requesting proposals for these products and if awarded the Texas Lottery Commission (TLC) contract, SG will then proceed with finalizing an award of this RFQ.

SG may award one or more Subcontracts as a result of this procurement. Following notification of award and subsequent successful negotiation if required, SG intends to enter into a Subcontract with the Successful Bidder(s) and the Successful Bidder(s) will then be a Subcontractor to SG.

### 2. Scope

#### 2.1 Scope

The information below is intended to give the Supplier an idea of the overall scope required as part of this RFQ. The products outlined are estimates only and do not constitute volume guarantees or commitments. SG will further refine its needs prior to award and communicate those to selected Supplier(s).

#### 2.2 Product Specifications: Wood Pallets

SG SKU#	Description	Est. Annual Qty
01-100-5022	Wood Pallet 48" x 40", 3 STRINGERS, 5 TB, 4 BB 1" X 6", 4-Way, GREEN	1500

### 3. Instructions to Suppliers

#### 3.1 RFQ Responses & Submission of Proposals

##### A. Suppliers should submit:

- An email to SG Contact indicated in Section 3.3 by the RFQ deadline, with the electronic proposal as an attachment

##### B. Proposals must include the following:

- Completed Appendix A – Qualitative Questions
- Completed Appendix B – Proposal Response
- Attached Supporting Documentation for the above

#### 3.2 RFQ Process and Timing

The timeline for this RFQ process is aggressive; proposals are due by COB on the date listed below. SG in its sole discretion may enter into contract negotiations/discussions with the Supplier(s) who submit proposals found to best meet the needs of this initiative.

Potential Suppliers are advised to review all sections of this RFQ carefully and to follow instructions completely, failure to make a complete submission as described elsewhere herein may result in rejection of the proposal and disqualification of the Supplier from further participation.

Proposals that depart from or materially alter the terms, requirements, or scope of work defined by this RFQ may be rejected for being non-responsive.

**Table 3.2 Key RFQ Dates:**

Activity	Date
RFQ sent out to suppliers	December 3, 2011
Supplier Response Deadline	December 13, 2011 – 5pm CST
Supplier Selection – Notice of Intent to Award <ul style="list-style-type: none"><li>• Contract contingent upon TLC RFP Award, SG Compliance Review and mutual acceptance of Terms &amp; Conditions</li></ul>	December 20, 2011

#### 3.3 Communications, Inquiries and Questions

Your interest in working with SG is welcomed; however, SG will only answer submitted questions if SG solely determines the question is critical to the success of the RFQ process. Responses will be circulated to all bidders. During the period from your company's receipt of this RFQ until a contract is awarded, ANY and ALL communication, including questions, concerning this RFQ should ONLY be directed to the RFQ Administrator specified below.

Contact: Lissa Owens  
Scientific Games  
Procurement Department  
Email: lissa.owens@scientificgames.com  
Phone: (770) 664-3718

When submitting an e-mail, please include the RFQ NAME and your company name in the subject heading of the message. Inquiries should make specific reference to the sections and page numbers from this RFQ, where applicable.

## **4. RFQ Terms and Conditions**

It is consented that by submitting a proposal, the Supplier is in agreement with the following RFQ terms and conditions. If there is an objection to these terms, the Supplier must note those objections in their response.

### **4.1 Contracting Period**

A contract will be contingent upon;

- SG being awarded the Texas Lottery contract referenced in this RFQ
- Selected suppliers passing SG's internal Compliance with Law and Background Screening
- SG and Supplier mutually agreeing upon Terms and Conditions

The contracted products are anticipated to begin in *July 1, 2012*. All awarded subcontracting opportunities are for one (1) year with options to renew.

### **4.2 Invoicing and Payment Processing**

Invoice charges must match agreed-upon contract pricing. All invoices should show all applicable charges. Invoices should have capability to be submitted in both printed form and Electronic Data Interchange (EDI) or Internet standard formats. Invoices shall be payable by SG thirty (30) days after receipt. In the event of a legitimate dispute with regard to errors on an invoice, SG has the right to withhold payment of any disputed amount on such invoice while the parties attempt to resolve the disputed amount in accordance with the dispute resolution procedures specified in the contract.

### **4.3 Insurance**

SG is either self-insured or maintains a coverage policy; therefore, all bids must be exclusive of insurance costs. Supplier shall at all times during the term of this agreement have and maintain in full force and effect the following insurance coverage with reliable insurance companies acceptable to SG:

- a) Bodily Injury and Property Damage (\$1 million comprehensive)
- b) Commercial Auto Liability with Bodily Injury and Property Damage, including Owned, Non-Owned and Hired Auto Liability (\$500,000)
- c) Statutory Workers' Compensation as required by applicable law and Employer's Liability (or state approved self-insurance).

Supplier shall also provide SG additional insured status and waiver of subrogation in SG's favor

### **4.4 Duration and Availability of Proposed Prices**

The prices, terms and conditions specified in the Supplier's proposal must be valid for a period of one hundred twenty (120) days from the due date of the proposals. Once a contract is signed, the prices must remain valid for the term of that contract and any subsequent extension(s); unless SG agrees in writing that the pricing should be modified.

### **4.5 Statement of Non-Commitment**

This RFQ is not an offer to enter into an agreement with any Supplier; it is a request to receive proposals from Suppliers interested in providing SG products and products specified within. SG reserves the right to reject all proposals, in whole or in part, and/or enter into discussions with any party to provide such products. SG will not have any obligation to the Supplier unless and until it has entered into a written agreement with the Supplier on terms and conditions satisfactory to SG. SG entering into negotiations with the Supplier with respect to any proposal or otherwise shall not be deemed to be an acceptance of such proposal or an agreement with the Supplier. Supplier-specific information (such as names, contact information, or pricing data) is used solely for Supplier selection on behalf of SG.

### **4.6 Supplier Demonstration of Proposed Capabilities, Products and/or Products**

At the discretion of SG, the Supplier must be prepared to provide any evidence of experience, performance, ability, and/or financial surety that SG deems necessary to fully establish the performance capabilities represented in their proposal. Any required confirmation must be provided in writing to SG without cost to SG.



#### **4.7 Ownership of Proposals**

Proposals and any other materials submitted by a Bidder in response to this RFQ will become the exclusive property of SG upon receipt and will not be returned.

#### **4.8 Execution of Contract**

Once the evaluation of the proposals and the Supplier selection are complete, the selected proposal(s), if any, and this RFQ will serve as the basis for a contract that will be negotiated and executed between SG and the selected Supplier(s). This RFQ and the proposal will likely be attached to the contract as exhibits.

#### **4.9 Oral Agreements or Arrangements**

Any alleged oral agreements or arrangements made by the Supplier with any SG agent or employee will be disregarded in any proposal evaluation or associated award.

#### **4.10 Independent Price Determinants**

The Supplier shall warrant, represent, and certify that the following requirements have been met in connection with their proposal for this RFQ:

The prices proposed have been arrived at independently, without consultation, communication, or agreement for the purpose of restricting competition as to any matter relating to such process with any other organization or with any competitor; unless otherwise required by law, the pricing proposed has not been knowingly disclosed by the Supplier on a prior basis directly or indirectly to any other organization or to any competitor; and no attempt has been made, or will be made, by the proposed to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

#### **4.11 Payments Against a Contract Award**

Under no circumstances shall the successful Supplier begin to perform under a contract prior to the effective date of such contract. SG shall assume no liability for payments under the terms of the contract until the successful Supplier is notified that the contract has been accepted by SG. In no case shall a successful Supplier bill SG prices in excess of the price indicated in the final contract agreed to and accepted by SG. Any authorized or agreed additional charges can only be approved for payment by means of an amendment to the contract.

#### **4.12 No SG Liability for Proposal Costs**

SG is not liable for any costs incurred by Bidders as a result of responding to this RFQ.

#### **4.13 Proposal Disclosure Prohibition**

Disclosure of Proposal contents by a Bidder to any third party prior to Subcontract Award in this procurement may result in disqualification.

#### **4.14 Conflict of Interest**

A Bidder shall not give money or any other thing of value to members of SG's evaluation committee or to any employee of SG.

#### **4.15 Approval of Subcontract**

The Texas Department of Revenue, Lottery Division, retains the right to approve each Subcontractor. Such approval shall not be unreasonably withheld.

#### **4.16 Probity Investigations of Subcontractor**

The Texas Department of Revenue, Lottery Division, shall have the right to conduct probity investigations of any Subcontractor prior to and during the term of its Subcontract with SG.

#### **4.17 SG' Right to Audit and Access to Records, Record Keeping and Record Transfer**

The Supplier shall prepare, maintain and preserve all records with respect to the administration of this program. During the term of the contract, SG shall have access during normal business hours to all such records, in whatever form they exist or are stored.

The Supplier shall afford the officers, attorneys, accountants, auditors, and other authorized representatives of SG free and full access to the records to be maintained by the Supplier pertinent to the RFQ.

At the option of SG, periodic audits may, at reasonable times, be made of the successful Suppliers' and all of their sub-contractors' books and records insofar as they pertain to the contract. Such audits shall be made at SG's expense by SG, or independent public accountants designated by SG. Said books and records shall be made available by the Supplier to the Auditors of SG. In the case that any discrepancy or breach of contract is discovered, all auditing expenses will be charged to the Supplier in addition to any legal settlements.

#### **4.18 Confidentiality and Care of Data**

The Supplier agrees to protect the confidentiality of any files, data or other materials pertaining to this RFQ and any resulting contract and to restrict their use solely for the purpose of completing this RFQ or fulfilling a resulting contract. The Supplier shall take all steps necessary to safeguard data, files, reports or other information from loss, destruction or erasure. Any costs or expenses of replacing or damages resulting from the loss of such data shall be borne by the Supplier when such loss or damage occurred through its negligence.

#### **4.19 Compliance with Law and Background Screening**

Supplier specifically acknowledges that SG is subject to the gaming and licensing requirements of various jurisdictions and is obliged to take reasonable efforts to determine the suitability of its business associates. Supplier agrees to cooperate fully with SG in providing it with any information, of whatever nature, that SG deems necessary or appropriate in assuring itself that Supplier possesses the good character, honesty, integrity, and reputation applicable to those engaged in the gaming industry and Supplier specifically represents that there is nothing in Supplier's background, history, or reputation that would be deemed unsuitable under the standards applicable to the gaming industry. If, during the term of any Agreement, SG is notified by any regulatory agency that the conduct of business with Supplier will jeopardize SG, or its affiliates', license or ability to be licensed or if SG concludes that Supplier fails to meet the above criteria, this Agreement shall terminate upon written notice by SG.

In addition, by responding to this RFQ Supplier represents and warrants, and, if selected shall be expected to provide representations and warranties in any contract entered into between the parties concerning, compliance with all laws, including but not limited to, applicable anti-corruption, competition, licensing, and registration laws, including the Foreign Corrupt Practices Act (FCPA); and with any applicable laws, regulations, and administrative requirements promulgated under the OECD Convention on Combating Bribery of Foreign Public Officials; and other similar representations and warranties.

Individual Supplier employees or subcontractors assigned to perform products at or on behalf of Supplier and who are to be granted (a) unescorted physical access rights to any Supplier's facility (as determined by SG), or (b) any local or remote network access rights, must submit to and pass SG standard state and federal felony and misdemeanor records screening. Screening shall include social security verification and corresponding information attached to the social security number. County and or municipal checks shall be conducted as required or to further obtain charge or case specifics and determine eligibility for work. Certain Products performed by Supplier may also require credit history screening and or national records screening via fingerprint card applications sent to the FBI/DOJ for processing as dictated by SG' customer contract requirements. Follow up searches may be conducted annually thereafter.



## Appendix A: Qualitative Questions

All respondents must answer questions 1-7 in the table below. Please enter your responses using as much space as necessary.

No.	Question	Response
1	Provide the official contact person (including name, phone, fax, e-mail address) with whom SG shall communicate regarding this RFQ.	
2	Provide your Texas Payee ID or Federal ID Number	
3	Confirm your company status as either a; certified HUB in the state of Texas, or a Minority or Woman Trade Organization. <u>Attach valid certificates and/or supporting documentation.</u>	
4	Indicate whether your firm has been or is the subject of a bankruptcy or insolvency proceeding or subject of assignment for benefit of creditors.	
5	Please provide a brief background on your company, including information on how long your company has been in business, ownership structure, location of your offices, and number of employees.	
6	Please confirm you have the State licenses, permits, certificates and authorizations needed to provide these products.	
7	<p>Supply a minimum of two (2) references that will attest to your ability (in the last three years) to provide products similar in scope to those outlined. For each reference, provide the following information:</p> <ul style="list-style-type: none"> <li>• The client organization's name, mailing address, contact name, telephone number and email address</li> <li>• The approximate period during which the products were provided</li> <li>• A summary of the type, quantity, and scope s</li> </ul>	

**Appendix B: Proposal Response**

**Wood Pallets:**

<b>SG SKU#</b>	<b>DIMENSIONS &amp; SPECS</b>	<b>QTY EACH</b>	<b>PRICE/EACH</b>	<b>TOTAL (\$)</b>
04-100-5023	Wood Pallet 48" x 40", 3 STRINGERS, 5 TB, 4 BB 1" X 6", 4-Way, GREEN	1500		

Company Name	Date
Contact Name	Signature



# Scientific Games International, Inc. Request for Qualifications (RFQ)

## Wood Pallets

12/05/11

### 1. Introduction

#### 1.1 Background

Scientific Games Corporation (Scientific Games or SG) is a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers. The Company's products and products include instant lottery games, lottery gaming systems, terminals and products, and Internet applications, as well as server-based interactive gaming machines and associated gaming control systems. SG is divided into three business segments: Printed Products Group, Lottery Systems Group and Diversified Gaming Group. Printed Products Group is a provider of instant lottery tickets in the world. The Company's Lottery Systems Group is a provider of customized computer software, software support, equipment and data communication products to lotteries. Its Diversified Gaming Group provides products and systems to private and public operators in the wide area gaming industry.

#### 1.2 Intent & Objective of the RFQ

The intent & objective of this RFQ is to identify capable, qualified, experienced and cost competitive suppliers including certified Historically Underutilized Businesses (HUB's) in the state of Texas who can provide *Wood Pallets* contingent upon SG being awarded a contract under Texas Lottery RFP 362-12-0001. SG is requesting proposals for these products and if awarded the Texas Lottery Commission (TLC) contract, SG will then proceed with finalizing an award of this RFQ.

SG may award one or more Subcontracts as a result of this procurement. Following notification of award and subsequent successful negotiation if required, SG intends to enter into a Subcontract with the Successful Bidder(s) and the Successful Bidder(s) will then be a Subcontractor to SG.

### 2. Scope

#### 2.1 Scope

The information below is intended to give the Supplier an idea of the overall scope required as part of this RFQ. The products outlined are estimates only and do not constitute volume guarantees or commitments. SG will further refine its needs prior to award and communicate those to selected Supplier(s).

#### 2.2 Product Specifications: Wood Pallets

SG SKU#	Description	Est. Annual Qty
01-100-5022	Wood Pallet 48" x 40", 3 STRINGERS, 5 TB, 4 BB 1" X 6", 4-Way, GREEN	1500

### 3. Instructions to Suppliers

#### 3.1 RFQ Responses & Submission of Proposals

##### A. Suppliers should submit:

- An email to SG Contact indicated in Section 3.3 by the RFQ deadline, with the electronic proposal as an attachment

##### B. Proposals must include the following:

- Completed Appendix A – Qualitative Questions
- Completed Appendix B – Proposal Response
- Attached Supporting Documentation for the above

#### 3.2 RFQ Process and Timing

The timeline for this RFQ process is aggressive; proposals are due by COB on the date listed below. SG in its sole discretion may enter into contract negotiations/discussions with the Supplier(s) who submit proposals found to best meet the needs of this initiative.

Potential Suppliers are advised to review all sections of this RFQ carefully and to follow instructions completely, failure to make a complete submission as described elsewhere herein may result in rejection of the proposal and disqualification of the Supplier from further participation.

Proposals that depart from or materially alter the terms, requirements, or scope of work defined by this RFQ may be rejected for being non-responsive.

**Table 3.2 Key RFQ Dates:**

Activity	Date
RFQ sent out to suppliers	December 5, 2011
Supplier Response Deadline	December 14, 2011 – 5pm CST
Supplier Selection – Notice of Intent to Award <ul style="list-style-type: none"><li>• Contract contingent upon TLC RFP Award, SG Compliance Review and mutual acceptance of Terms &amp; Conditions</li></ul>	December 20, 2011

#### 3.3 Communications, Inquiries and Questions

Your interest in working with SG is welcomed; however, SG will only answer submitted questions if SG solely determines the question is critical to the success of the RFQ process. Responses will be circulated to all bidders. During the period from your company's receipt of this RFQ until a contract is awarded, ANY and ALL communication, including questions, concerning this RFQ should ONLY be directed to the RFQ Administrator specified below.

Contact: Lissa Owens  
Scientific Games  
Procurement Department  
Email: lissa.owens@scientificgames.com  
Phone: (770) 664-3718

When submitting an e-mail, please include the RFQ NAME and your company name in the subject heading of the message. Inquiries should make specific reference to the sections and page numbers from this RFQ, where applicable.

## **4. RFQ Terms and Conditions**

It is consented that by submitting a proposal, the Supplier is in agreement with the following RFQ terms and conditions. If there is an objection to these terms, the Supplier must note those objections in their response.

### **4.1 Contracting Period**

A contract will be contingent upon;

- SG being awarded the Texas Lottery contract referenced in this RFQ
- Selected suppliers passing SG's internal Compliance with Law and Background Screening
- SG and Supplier mutually agreeing upon Terms and Conditions

The contracted products are anticipated to begin in *July 1, 2012*. All awarded subcontracting opportunities are for one (1) year with options to renew.

### **4.2 Invoicing and Payment Processing**

Invoice charges must match agreed-upon contract pricing. All invoices should show all applicable charges. Invoices should have capability to be submitted in both printed form and Electronic Data Interchange (EDI) or Internet standard formats. Invoices shall be payable by SG thirty (30) days after receipt. In the event of a legitimate dispute with regard to errors on an invoice, SG has the right to withhold payment of any disputed amount on such invoice while the parties attempt to resolve the disputed amount in accordance with the dispute resolution procedures specified in the contract.

### **4.3 Insurance**

SG is either self-insured or maintains a coverage policy; therefore, all bids must be exclusive of insurance costs. Supplier shall at all times during the term of this agreement have and maintain in full force and effect the following insurance coverage with reliable insurance companies acceptable to SG:

- a) Bodily Injury and Property Damage (\$1 million comprehensive)
- b) Commercial Auto Liability with Bodily Injury and Property Damage, including Owned, Non-Owned and Hired Auto Liability (\$500,000)
- c) Statutory Workers' Compensation as required by applicable law and Employer's Liability (or state approved self-insurance).

Supplier shall also provide SG additional insured status and waiver of subrogation in SG's favor

### **4.4 Duration and Availability of Proposed Prices**

The prices, terms and conditions specified in the Supplier's proposal must be valid for a period of one hundred twenty (120) days from the due date of the proposals. Once a contract is signed, the prices must remain valid for the term of that contract and any subsequent extension(s); unless SG agrees in writing that the pricing should be modified.

### **4.5 Statement of Non-Commitment**

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At the discretion of SG, the Supplier must be prepared to provide any evidence of experience, performance, ability, and/or financial surety that SG deems necessary to fully establish the performance capabilities represented in their proposal. Any required confirmation must be provided in writing to SG without cost to SG.

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Once the evaluation of the proposals and the Supplier selection are complete, the selected proposal(s), if any, and this RFQ will serve as the basis for a contract that will be negotiated and executed between SG and the selected Supplier(s). This RFQ and the proposal will likely be attached to the contract as exhibits.

#### **4.9 Oral Agreements or Arrangements**

Any alleged oral agreements or arrangements made by the Supplier with any SG agent or employee will be disregarded in any proposal evaluation or associated award.

#### **4.10 Independent Price Determinants**

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#### **4.11 Payments Against a Contract Award**

Under no circumstances shall the successful Supplier begin to perform under a contract prior to the effective date of such contract. SG shall assume no liability for payments under the terms of the contract until the successful Supplier is notified that the contract has been accepted by SG. In no case shall a successful Supplier bill SG prices in excess of the price indicated in the final contract agreed to and accepted by SG. Any authorized or agreed additional charges can only be approved for payment by means of an amendment to the contract.

#### **4.12 No SG Liability for Proposal Costs**

SG is not liable for any costs incurred by Bidders as a result of responding to this RFQ.

#### **4.13 Proposal Disclosure Prohibition**

Disclosure of Proposal contents by a Bidder to any third party prior to Subcontract Award in this procurement may result in disqualification.

#### **4.14 Conflict of Interest**

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#### **4.15 Approval of Subcontract**

The Texas Department of Revenue, Lottery Division, retains the right to approve each Subcontractor. Such approval shall not be unreasonably withheld.

#### **4.16 Probity Investigations of Subcontractor**

The Texas Department of Revenue, Lottery Division, shall have the right to conduct probity investigations of any Subcontractor prior to and during the term of its Subcontract with SG.

#### **4.17 SG' Right to Audit and Access to Records, Record Keeping and Record Transfer**

The Supplier shall prepare, maintain and preserve all records with respect to the administration of this program. During the term of the contract, SG shall have access during normal business hours to all such records, in whatever form they exist or are stored.

The Supplier shall afford the officers, attorneys, accountants, auditors, and other authorized representatives of SG free and full access to the records to be maintained by the Supplier pertinent to the RFQ.

At the option of SG, periodic audits may, at reasonable times, be made of the successful Suppliers' and all of their sub-contractors' books and records insofar as they pertain to the contract. Such audits shall be made at SG's expense by SG, or independent public accountants designated by SG. Said books and records shall be made available by the Supplier to the Auditors of SG. In the case that any discrepancy or breach of contract is discovered, all auditing expenses will be charged to the Supplier in addition to any legal settlements.

#### **4.18 Confidentiality and Care of Data**

The Supplier agrees to protect the confidentiality of any files, data or other materials pertaining to this RFQ and any resulting contract and to restrict their use solely for the purpose of completing this RFQ or fulfilling a resulting contract. The Supplier shall take all steps necessary to safeguard data, files, reports or other information from loss, destruction or erasure. Any costs or expenses of replacing or damages resulting from the loss of such data shall be borne by the Supplier when such loss or damage occurred through its negligence.

#### **4.19 Compliance with Law and Background Screening**

Supplier specifically acknowledges that SG is subject to the gaming and licensing requirements of various jurisdictions and is obliged to take reasonable efforts to determine the suitability of its business associates. Supplier agrees to cooperate fully with SG in providing it with any information, of whatever nature, that SG deems necessary or appropriate in assuring itself that Supplier possesses the good character, honesty, integrity, and reputation applicable to those engaged in the gaming industry and Supplier specifically represents that there is nothing in Supplier's background, history, or reputation that would be deemed unsuitable under the standards applicable to the gaming industry. If, during the term of any Agreement, SG is notified by any regulatory agency that the conduct of business with Supplier will jeopardize SG, or its affiliates', license or ability to be licensed or if SG concludes that Supplier fails to meet the above criteria, this Agreement shall terminate upon written notice by SG.

In addition, by responding to this RFQ Supplier represents and warrants, and, if selected shall be expected to provide representations and warranties in any contract entered into between the parties concerning, compliance with all laws, including but not limited to, applicable anti-corruption, competition, licensing, and registration laws, including the Foreign Corrupt Practices Act (FCPA); and with any applicable laws, regulations, and administrative requirements promulgated under the OECD Convention on Combating Bribery of Foreign Public Officials; and other similar representations and warranties.

Individual Supplier employees or subcontractors assigned to perform products at or on behalf of Supplier and who are to be granted (a) unescorted physical access rights to any Supplier's facility (as determined by SG), or (b) any local or remote network access rights, must submit to and pass SG standard state and federal felony and misdemeanor records screening. Screening shall include social security verification and corresponding information attached to the social security number. County and or municipal checks shall be conducted as required or to further obtain charge or case specifics and determine eligibility for work. Certain Products performed by Supplier may also require credit history screening and or national records screening via fingerprint card applications sent to the FBI/DOJ for processing as dictated by SG' customer contract requirements. Follow up searches may be conducted annually thereafter.

## Appendix A: Qualitative Questions

All respondents must answer questions 1-7 in the table below. Please enter your responses using as much space as necessary.

No.	Question	Response
1	Provide the official contact person (including name, phone, fax, e-mail address) with whom SG shall communicate regarding this RFQ.	
2	Provide your Texas Payee ID or Federal ID Number	
3	Confirm your company status as either a; certified HUB in the state of Texas, or a Minority or Woman Trade Organization. <u>Attach valid certificates and/or supporting documentation.</u>	
4	Indicate whether your firm has been or is the subject of a bankruptcy or insolvency proceeding or subject of assignment for benefit of creditors.	
5	Please provide a brief background on your company, including information on how long your company has been in business, ownership structure, location of your offices, and number of employees.	
6	Please confirm you have the State licenses, permits, certificates and authorizations needed to provide these products.	
7	<p>Supply a minimum of two (2) references that will attest to your ability (in the last three years) to provide products similar in scope to those outlined. For each reference, provide the following information:</p> <ul style="list-style-type: none"> <li>• The client organization's name, mailing address, contact name, telephone number and email address</li> <li>• The approximate period during which the products were provided</li> <li>• A summary of the type, quantity, and scope s</li> </ul>	



**Appendix B: Proposal Response**

**Wood Pallets:**

<b>SG SKU#</b>	<b>DIMENSIONS &amp; SPECS</b>	<b>QTY EACH</b>	<b>PRICE/EACH</b>	<b>TOTAL (\$)</b>
04-100-5023	Wood Pallet 48" x 40", 3 STRINGERS, 5 TB, 4 BB 1" X 6", 4-Way, GREEN	1500		

Company Name	Date
Contact Name	Signature



# Scientific Games International, Inc. Request for Qualifications (RFQ)

## Wood Pallets

1/9/12

### 1. Introduction

#### 1.1 Background

Scientific Games Corporation (Scientific Games or SG) is a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers. The Company's products and products include instant lottery games, lottery gaming systems, terminals and products, and Internet applications, as well as server-based interactive gaming machines and associated gaming control systems. SG is divided into three business segments: Printed Products Group, Lottery Systems Group and Diversified Gaming Group. Printed Products Group is a provider of instant lottery tickets in the world. The Company's Lottery Systems Group is a provider of customized computer software, software support, equipment and data communication products to lotteries. Its Diversified Gaming Group provides products and systems to private and public operators in the wide area gaming industry.

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### 2. Scope

#### 2.1 Scope

The information below is intended to give the Supplier an idea of the overall scope required as part of this RFQ. The products outlined are estimates only and do not constitute volume guarantees or commitments. SG will further refine its needs prior to award and communicate those to selected Supplier(s).

#### 2.2 Product Specifications: Wood Pallets

SG SKU#	Description	Est. Annual Qty
01-100-5022	Wood Pallet 48" x 40", 3 STRINGERS, 5 TB, 4 BB 1" X 6", 4-Way, GREEN	1500

### 3. Instructions to Suppliers

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Potential Suppliers are advised to review all sections of this RFQ carefully and to follow instructions completely, failure to make a complete submission as described elsewhere herein may result in rejection of the proposal and disqualification of the Supplier from further participation.

Proposals that depart from or materially alter the terms, requirements, or scope of work defined by this RFQ may be rejected for being non-responsive.

**Table 3.2 Key RFQ Dates:**

Activity	Date
RFQ sent out to suppliers	January 9, 2012
Supplier Response Deadline	January 19, 2012 – 5pm CST
Supplier Selection – Notice of Intent to Award <ul style="list-style-type: none"><li>• Contract contingent upon TLC RFP Award, SG Compliance Review and mutual acceptance of Terms &amp; Conditions</li></ul>	January 20, 2012

#### 3.3 Communications, Inquiries and Questions

Your interest in working with SG is welcomed; however, SG will only answer submitted questions if SG solely determines the question is critical to the success of the RFQ process. Responses will be circulated to all bidders. During the period from your company's receipt of this RFQ until a contract is awarded, ANY and ALL communication, including questions, concerning this RFQ should ONLY be directed to the RFQ Administrator specified below.

Contact: Lissa Owens  
Scientific Games  
Procurement Department  
Email: lissa.owens@scientificgames.com  
Phone: (770) 664-3718

When submitting an e-mail, please include the RFQ NAME and your company name in the subject heading of the message. Inquiries should make specific reference to the sections and page numbers from this RFQ, where applicable.

## **4. RFQ Terms and Conditions**

It is consented that by submitting a proposal, the Supplier is in agreement with the following RFQ terms and conditions. If there is an objection to these terms, the Supplier must note those objections in their response.

### **4.1 Contracting Period**

A contract will be contingent upon;

- SG being awarded the Texas Lottery contract referenced in this RFQ
- Selected suppliers passing SG's internal Compliance with Law and Background Screening
- SG and Supplier mutually agreeing upon Terms and Conditions

The contracted products are anticipated to begin in *July 1, 2012*. All awarded subcontracting opportunities are for one (1) year with options to renew.

### **4.2 Invoicing and Payment Processing**

Invoice charges must match agreed-upon contract pricing. All invoices should show all applicable charges. Invoices should have capability to be submitted in both printed form and Electronic Data Interchange (EDI) or Internet standard formats. Invoices shall be payable by SG thirty (30) days after receipt. In the event of a legitimate dispute with regard to errors on an invoice, SG has the right to withhold payment of any disputed amount on such invoice while the parties attempt to resolve the disputed amount in accordance with the dispute resolution procedures specified in the contract.

### **4.3 Insurance**

SG is either self-insured or maintains a coverage policy; therefore, all bids must be exclusive of insurance costs. Supplier shall at all times during the term of this agreement have and maintain in full force and effect the following insurance coverage with reliable insurance companies acceptable to SG:

- a) Bodily Injury and Property Damage (\$1 million comprehensive)
- b) Commercial Auto Liability with Bodily Injury and Property Damage, including Owned, Non-Owned and Hired Auto Liability (\$500,000)
- c) Statutory Workers' Compensation as required by applicable law and Employer's Liability (or state approved self-insurance).

Supplier shall also provide SG additional insured status and waiver of subrogation in SG's favor

### **4.4 Duration and Availability of Proposed Prices**

The prices, terms and conditions specified in the Supplier's proposal must be valid for a period of one hundred twenty (120) days from the due date of the proposals. Once a contract is signed, the prices must remain valid for the term of that contract and any subsequent extension(s); unless SG agrees in writing that the pricing should be modified.

### **4.5 Statement of Non-Commitment**

This RFQ is not an offer to enter into an agreement with any Supplier; it is a request to receive proposals from Suppliers interested in providing SG products and products specified within. SG reserves the right to reject all proposals, in whole or in part, and/or enter into discussions with any party to provide such products. SG will not have any obligation to the Supplier unless and until it has entered into a written agreement with the Supplier on terms and conditions satisfactory to SG. SG entering into negotiations with the Supplier with respect to any proposal or otherwise shall not be deemed to be an acceptance of such proposal or an agreement with the Supplier. Supplier-specific information (such as names, contact information, or pricing data) is used solely for Supplier selection on behalf of SG.

### **4.6 Supplier Demonstration of Proposed Capabilities, Products and/or Products**

At the discretion of SG, the Supplier must be prepared to provide any evidence of experience, performance, ability, and/or financial surety that SG deems necessary to fully establish the performance capabilities represented in their proposal. Any required confirmation must be provided in writing to SG without cost to SG.

#### **4.7 Ownership of Proposals**

Proposals and any other materials submitted by a Bidder in response to this RFQ will become the exclusive property of SG upon receipt and will not be returned.

#### **4.8 Execution of Contract**

Once the evaluation of the proposals and the Supplier selection are complete, the selected proposal(s), if any, and this RFQ will serve as the basis for a contract that will be negotiated and executed between SG and the selected Supplier(s). This RFQ and the proposal will likely be attached to the contract as exhibits.

#### **4.9 Oral Agreements or Arrangements**

Any alleged oral agreements or arrangements made by the Supplier with any SG agent or employee will be disregarded in any proposal evaluation or associated award.

#### **4.10 Independent Price Determinants**

The Supplier shall warrant, represent, and certify that the following requirements have been met in connection with their proposal for this RFQ:

The prices proposed have been arrived at independently, without consultation, communication, or agreement for the purpose of restricting competition as to any matter relating to such process with any other organization or with any competitor; unless otherwise required by law, the pricing proposed has not been knowingly disclosed by the Supplier on a prior basis directly or indirectly to any other organization or to any competitor; and no attempt has been made, or will be made, by the proposed to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

#### **4.11 Payments Against a Contract Award**

Under no circumstances shall the successful Supplier begin to perform under a contract prior to the effective date of such contract. SG shall assume no liability for payments under the terms of the contract until the successful Supplier is notified that the contract has been accepted by SG. In no case shall a successful Supplier bill SG prices in excess of the price indicated in the final contract agreed to and accepted by SG. Any authorized or agreed additional charges can only be approved for payment by means of an amendment to the contract.

#### **4.12 No SG Liability for Proposal Costs**

SG is not liable for any costs incurred by Bidders as a result of responding to this RFQ.

#### **4.13 Proposal Disclosure Prohibition**

Disclosure of Proposal contents by a Bidder to any third party prior to Subcontract Award in this procurement may result in disqualification.

#### **4.14 Conflict of Interest**

A Bidder shall not give money or any other thing of value to members of SG's evaluation committee or to any employee of SG.

#### **4.15 Approval of Subcontract**

The Texas Department of Revenue, Lottery Division, retains the right to approve each Subcontractor. Such approval shall not be unreasonably withheld.

#### **4.16 Probity Investigations of Subcontractor**

The Texas Department of Revenue, Lottery Division, shall have the right to conduct probity investigations of any Subcontractor prior to and during the term of its Subcontract with SG.

#### **4.17 SG' Right to Audit and Access to Records, Record Keeping and Record Transfer**

The Supplier shall prepare, maintain and preserve all records with respect to the administration of this program. During the term of the contract, SG shall have access during normal business hours to all such records, in whatever form they exist or are stored.

The Supplier shall afford the officers, attorneys, accountants, auditors, and other authorized representatives of SG free and full access to the records to be maintained by the Supplier pertinent to the RFQ.

At the option of SG, periodic audits may, at reasonable times, be made of the successful Suppliers' and all of their sub-contractors' books and records insofar as they pertain to the contract. Such audits shall be made at SG's expense by SG, or independent public accountants designated by SG. Said books and records shall be made available by the Supplier to the Auditors of SG. In the case that any discrepancy or breach of contract is discovered, all auditing expenses will be charged to the Supplier in addition to any legal settlements.

#### **4.18 Confidentiality and Care of Data**

The Supplier agrees to protect the confidentiality of any files, data or other materials pertaining to this RFQ and any resulting contract and to restrict their use solely for the purpose of completing this RFQ or fulfilling a resulting contract. The Supplier shall take all steps necessary to safeguard data, files, reports or other information from loss, destruction or erasure. Any costs or expenses of replacing or damages resulting from the loss of such data shall be borne by the Supplier when such loss or damage occurred through its negligence.

#### **4.19 Compliance with Law and Background Screening**

Supplier specifically acknowledges that SG is subject to the gaming and licensing requirements of various jurisdictions and is obliged to take reasonable efforts to determine the suitability of its business associates. Supplier agrees to cooperate fully with SG in providing it with any information, of whatever nature, that SG deems necessary or appropriate in assuring itself that Supplier possesses the good character, honesty, integrity, and reputation applicable to those engaged in the gaming industry and Supplier specifically represents that there is nothing in Supplier's background, history, or reputation that would be deemed unsuitable under the standards applicable to the gaming industry. If, during the term of any Agreement, SG is notified by any regulatory agency that the conduct of business with Supplier will jeopardize SG, or its affiliates', license or ability to be licensed or if SG concludes that Supplier fails to meet the above criteria, this Agreement shall terminate upon written notice by SG.

In addition, by responding to this RFQ Supplier represents and warrants, and, if selected shall be expected to provide representations and warranties in any contract entered into between the parties concerning, compliance with all laws, including but not limited to, applicable anti-corruption, competition, licensing, and registration laws, including the Foreign Corrupt Practices Act (FCPA); and with any applicable laws, regulations, and administrative requirements promulgated under the OECD Convention on Combating Bribery of Foreign Public Officials; and other similar representations and warranties.

Individual Supplier employees or subcontractors assigned to perform products at or on behalf of Supplier and who are to be granted (a) unescorted physical access rights to any Supplier's facility (as determined by SG), or (b) any local or remote network access rights, must submit to and pass SG standard state and federal felony and misdemeanor records screening. Screening shall include social security verification and corresponding information attached to the social security number. County and or municipal checks shall be conducted as required or to further obtain charge or case specifics and determine eligibility for work. Certain Products performed by Supplier may also require credit history screening and or national records screening via fingerprint card applications sent to the FBI/DOJ for processing as dictated by SG' customer contract requirements. Follow up searches may be conducted annually thereafter.

## Appendix A: Qualitative Questions

All respondents must answer questions 1-7 in the table below. Please enter your responses using as much space as necessary.

No.	Question	Response
1	Provide the official contact person (including name, phone, fax, e-mail address) with whom SG shall communicate regarding this RFQ.	
2	Provide your Texas Payee ID or Federal ID Number	
3	Confirm your company status as either a; certified HUB in the state of Texas, or a Minority or Woman Trade Organization. <u>Attach valid certificates and/or supporting documentation.</u>	
4	Indicate whether your firm has been or is the subject of a bankruptcy or insolvency proceeding or subject of assignment for benefit of creditors.	
5	Please provide a brief background on your company, including information on how long your company has been in business, ownership structure, location of your offices, and number of employees.	
6	Please confirm you have the State licenses, permits, certificates and authorizations needed to provide these products.	
7	<p>Supply a minimum of two (2) references that will attest to your ability (in the last three years) to provide products similar in scope to those outlined. For each reference, provide the following information:</p> <ul style="list-style-type: none"> <li>• The client organization's name, mailing address, contact name, telephone number and email address</li> <li>• The approximate period during which the products were provided</li> <li>• A summary of the type, quantity, and scope s</li> </ul>	

**Appendix B: Proposal Response**

**Wood Pallets:**

<b>SG SKU#</b>	<b>DIMENSIONS &amp; SPECS</b>	<b>QTY EACH</b>	<b>PRICE/EACH</b>	<b>TOTAL (\$)</b>
04-100-5023	Wood Pallet 48" x 40", 3 STRINGERS, 5 TB, 4 BB 1" X 6", 4-Way, GREEN	1500		

<b>Company Name</b>	<b>Date</b>
<b>Contact Name</b>	<b>Signature</b>





**TEXAS LOTTERY  
COMMISSION**

**Holographic Paper**



# HSP Good Faith Effort - Method B (Attachment B)

(Rev. 10/11)

Enter your company's name here: Scientific Games

Requisition #: 362-12-0001

**IMPORTANT:** If you responded "No" to SECTION 2, Items c and d of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed in SECTION 2, Item b of the completed HSP form. You may photo-copy this page or download the form at <http://www.window.state.tx.us/procurement/prog/hub/hub-forms/HUBSubcontractingPlanAttachment-B.doc>

## SECTION B-1 SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing this attachment.

Item #: 6 Description: Holographic Paper

## SECTION B-2 MENTOR PROTÉGÉ PROGRAM

If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in SECTION B-1, constitutes a good faith effort to subcontract with a Texas certified HUB towards that specific portion of work.

Check the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé.

- Yes (If Yes, to continue to SECTION B-4.)  
 - No / Not Applicable (If No or Not Applicable, continue to SECTION B-3.)

## SECTION B-3 NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

When completing this section you **MUST** comply with items a, b, c and d, thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and minority or women trade organizations or development centers about the subcontracting opportunity you listed in SECTION B-1. Your notice should include the scope of work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person.

When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at <http://www.window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan/>

Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and minority or women trade organizations or development centers.

- Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HUBs at least seven (7) working days to respond to the notice prior to your submitting your bid response to the contracting agency. When searching for Texas certified HUBs, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) and Historically Underutilized Business (HUB) Search directory located at <http://www.window.state.tx.us/procurement/cmb/cmbhub.html>. HUB Status code "A" signifies that the company is a Texas certified HUB.
- List the three (3) Texas certified HUBs you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company's Vendor ID (VID) number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

Company Name	VID #	Date Notice Sent (mm/dd/yyyy)	Did the HUB Respond?
Worthington Paper	1752569573400	12 / 04 / 11	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No
Just Papers	1421674475600	12 / 04 / 11	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No
Spectrum Paper Co., Inc.	1742983924800	01 / 05 / 12	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No

- Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to minority or women trade organizations or development centers to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to minority or women trade organizations or development centers at least seven (7) working days prior to submitting your bid response to the contracting agency.

A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program's webpage at <http://www.window.state.tx.us/procurement/prog/hub/mwb-links-1/>

- Enter the name of the minority or women trade organizations or development centers you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the date when you sent notice to it and indicate if it accepted or rejected your notice.

Minority/Women Trade Organizations or Development Centers	Date Notice Sent (mm/dd/yyyy)	Was the Notice Accepted?
Women Contractor's Association	12 / 04 / 11	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No
American Indian Chamber of Commerce-TX	12 / 04 / 11	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No

# HSP Good Faith Effort - Method B (Attachment B) *Cont.*

Enter your company's name here: Scientific Games

Requisition #: 362-12-0001

## SECTION B-4 SUBCONTRACTOR SELECTION

- a. List the subcontractor(s) you selected to perform the subcontracting opportunity you listed in SECTION B-1. Also identify whether they are a Texas Certified HUB and their VID number, the approximate dollar value of the work to be subcontracted, the expected percentage of work to be subcontracted, and indicate whether the company is a Texas certified HUB.

Company Name	Texas Certified HUB	VID # <small>(Required if Texas Certified HUB)</small>	Approximate Dollar Amount	Expected Percentage of Contract
Hazen Paper	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No		\$267,500	5.35%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

- b. If any of the subcontractors you have selected to perform the subcontracting opportunity you listed in SECTION B-1 is **not** a Texas certified HUB, provide written justification for your selection process (attach additional page if necessary):

Scientific Games selected the vendor, Hazen Paper, based on their ability to provide SG with the best overall value.

**REMINDER:** As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to **all** the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity it (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.

CODE: 645-64  
Offset Paper

Tx. Gov't Code  
§552.137

# Results for HUBs only Search

CMBL/HUB Vendor Detail	
Vendor ID / Number:	1742983924800 / 87102
HUB Status:	A (HUB on CMBL)
HUB Expire Date:	12-OCT-15
Vendor Name:	SPECTRUM PAPER CO., INC.
Vendor Address:	27 CONCORD ST. EL PASO, TX 79906 USA
County:	EL PASO
Contact:	Pres./A. Maxine Brown
Phone / Fax:	915-595-0020 / 915-595-3435
Email Address:	[REDACTED]
Ethnicity / Gender:	HI / F
Business Description:	Copy/Printing/Computer/Carbonless Paper Products Floor Care Products Disposable Plastic & paper Non-Food Products Packaging/Shipping Products Janitorial Equipment/Products Office/Computer Supplies Office Furniture/Space Planning Chemical Products
Business Category:	COMMODITIES WHOLESALER/RESELLER (07)
Small Business:	Y

Comptroller's Tax Status This Vendor

Comptroller Lookup Any Vendor

Vendor Performance	Score	# of POs
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:		
Exceptional Performance Reports:		

1 vendor found where vendor name begins with 'spectrum paper'.

CODE: 645-64  
Offset paper

Tx. Gov't Code  
\$552.137

# Results for HUBs only Search

CMBL/HUB Vendor Detail	
Vendor ID / Number:	1421674475600 / 23707
HUB Status:	A (HUB on CMBL)
HUB Expire Date:	26-AUG-13
Vendor Name:	JUST PAPERS
Vendor Address:	P.O. BOX 161013 AUSTIN, TX 78716
County:	TRAVIS
Contact:	CAROLINE JUST OR MICHELLE JUST
Phone / Fax:	512-263-1923 / 512-263-9298
Email Address:	[REDACTED]
Ethnicity / Gender:	WO / F
Business Description:	provide products and solutions - printing paper and envelopes, janitorial products and equipment, graphics products and equipment, packaging products and equipment
Business Category:	BUILDING CONSTRUCTION, INCLUDING GENERAL CONTRACTORS AND OPERATIVE BUILDERS (02)
Small Business:	Y

Comptroller's Tax Status This Vendor

Comptroller Lookup Any Vendor

Vendor Performance	Score	# of POs
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:		
Exceptional Performance Reports:		

1 vendor found where vendor name begins with 'just papers'.

COPE # 645-64  
Offset paper

Tx. Gov't Code  
\$552.137

# Results for HUBs only Search

CMBL/HUB Vendor Detail	
Vendor ID / Number:	1752569573400 / 10759
HUB Status:	A (HUB on CMBL)
HUB Expire Date:	31-MAY-12
Vendor Name:	WORTHINGTON PAPER CO. INC.
Vendor Address:	P.O. BOX 116672 CARROLLTON, TX 75011-6672
County:	DALLAS
Contact:	John Gibson
Phone / Fax:	972-896-4606 / 972-395-3788
Email Address:	[REDACTED]
Ethnicity / Gender:	BL / F
Business Description:	Printing and Writing Paper Wholesalers
Business Category:	COMMODITIES WHOLESALE/RESELLER (07)
Small Business:	Y

Comptroller's Tax Status This Vendor

Comptroller Lookup Any Vendor

<u>Vendor Performance</u>	<u>Score</u>	<u># of POs</u>
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:		
Exceptional Performance Reports:		

*1 vendor found where vendor name begins with 'worthington paper'.*



## Owens, Lissa

---

**From:** System Administrator [postmaster@cont.scientificgames.com]  
**Sent:** Sunday, December 04, 2011 2:55 PM  
**To:** Owens, Lissa  
**Subject:** Relay report: 2.0.2 (Message relayed)  
**Attachments:** delivery-status.txt; message-header.txt; Scientific Games Holographic Paper Bid Opportunity - 12/4/11

### Your message

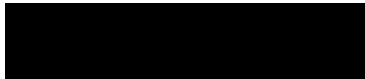
**From:** Owens, Lissa <[Lissa.Owens@scientificgames.com](mailto:Lissa.Owens@scientificgames.com)>

**To:** Owens, Lissa <[Lissa.Owens@scientificgames.com](mailto:Lissa.Owens@scientificgames.com)>

**Subj:** Scientific Games Holographic Paper Bid Opportunity - 12/4/11

**Sent:** 2011-12-04 14:54

was relayed to the following recipient(s):



**Tx. Gov't Code**

**§552.137**

Unfortunately, the remote mail system does not support confirmation of actual delivery. Unless the final delivery fails, this will be the only delivery status notification sent.

Owens, Lissa

---

From: [REDACTED] Tx. Gov't Code  
Sent: Sunday, December 04, 2011 2:55 PM \$552.137  
To: Owens, Lissa  
Subject: Delivered: Scientific Games Holographic Paper Bid Opportunity - 12/4/11  
Attachments: delivery-status.txt

Your message was delivered to the recipient.



Message

Message Tracking | Reply | Reply Forward to All | Delete | Move to Folder | Create Rule | Other Actions | Block Sender | Safe Lists | Not Junk | Categorize | Follow Up | Mark as Unread | Find | Related | Select | Find

You made changes to another copy of this item. This is the most recent version. [Click here to see the other versions.](#)

From: Owens, Lissa Sent: Sun 12/4/2011 3:03 PM  
To: Owens, Lissa  
Cc: [REDACTED] **Tx. Gov't Code**  
Bcc: [REDACTED] **\$552.137**  
Subject: Scientific Games Holographic Paper Bid Opportunity - 12/4/11

Message | TX Lottery - Holographic Paper rev1RFQ.docx (108 KB)

Scientific Games, a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers is sourcing qualified, certified HUB's in the state of Texas who can provide the following products and/or services pending a contract award of the Texas Lottery RFP 362-12-0001:

- Holographic Paper

Please see the attached RFQ (Request for Quotation) and, if interested, provide your response by the deadline of December 13<sup>th</sup>, 2011 – 5:pm CST (Central Standard Time).

Contact me should you have any questions concerning this solicitation.

Thank you.

*Lissa J. Owens*  
Sr. Buyer & Diversity Program Manager  
Scientific Games  
(770) 664-3718 office  
(678) 230-4346 cell  
(770) 664-3882 fax



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Message

Reply  
 Reply to All  
 Forward  
 Delete  
 Move to Folder  
 Create Rule  
 Other Actions  
 Block Sender  
 Junk E-mail  
 Safe Lists  
 Mot Junk  
 Categorize  
 Follow Up  
 Mark as Unread  
 Find  
 Related  
 Select  
 Options

You made changes to another copy of this item. This is the most recent version. Click here to see the other versions.

You forwarded this message on 12/4/2011 3:02 PM.

From: Owens, Lissa

Sent: Sun 12/4/2011 2:55 PM

To: Owens, Lissa

Cc:

Tx. Gov't Code

Bcc:

\$552.137

Subject: Scientific Games Holographic Paper Bid Opportunity - 12/4/11

Message TX Lottery - Holographic Paper rev1RFQ.docx (108 KB)

Scientific Games, a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers is sourcing qualified, certified HUB's in the state of Texas who can provide the following products and/or services pending a contract award of the Texas Lottery RFP 362-12-0001:

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*Lissa J. Owens*

Sr. Buyer & Diversity Program Manager

Scientific Games

(770) 664-3718 office

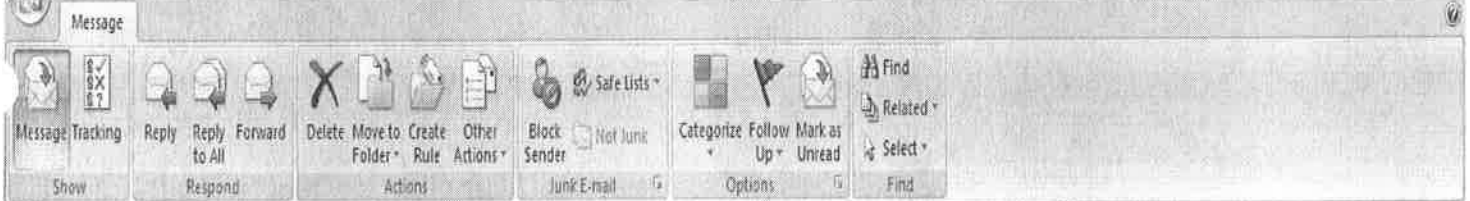
(678) 230-4346 cell

(770) 664-3882 fax



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From: Owens, Lissa

Sent: Thu 1/5/2012 11:42 AM

To: Owens, Lissa

**Tx. Gov't Code**

Cc:

**\$552.137**

Bcc:

Subject: Scientific Games Holographic Paper Bid Opportunity - 1/5/12

Message TX Lottery - Holographic Paper 1 5 12 RFQ.docx (108 KB)

Scientific Games, a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers is sourcing qualified, certified HUB's in the state of Texas who can provide the following products and/or services pending a contract award of the Texas Lottery RFP 362-12-0001:

- Holographic Paper

Please see the attached RFQ (Request for Quotation) and, if interested, provide your response by the deadline of January 17<sup>th</sup>, 2012 – 5:00pm CST (Central Standard Time).

Contact me should you have any questions concerning this solicitation.

Thank you.

*Lissa J. Owens*

Sr. Buyer & Diversity Program Manager

Scientific Games

(770) 664-3718 office

(678) 230-4346 cell

(770) 664-3882 fax



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# Scientific Games International, Inc. Request for Qualifications (RFQ)

## Holographic Paper

12/04/11

### 1. Introduction

#### 1.1 Background

Scientific Games Corporation (Scientific Games or SG) is a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers. The Company's products and products include instant lottery games, lottery gaming systems, terminals and products, and Internet applications, as well as server-based interactive gaming machines and associated gaming control systems. SG is divided into three business segments: Printed Products Group, Lottery Systems Group and Diversified Gaming Group. Printed Products Group is a provider of instant lottery tickets in the world. The Company's Lottery Systems Group is a provider of customized computer software, software support, equipment and data communication products to lotteries. Its Diversified Gaming Group provides products and systems to private and public operators in the wide area gaming industry.

#### 1.2 Intent & Objective of the RFQ

The intent & objective of this RFQ is to identify capable, qualified, experienced and cost competitive suppliers including certified Historically Underutilized Businesses (HUB's) in the state of Texas who can provide *Holographic Paper* contingent upon SG being awarded a contract under Texas Lottery RFP 362-12-0001. SG is requesting proposals for these products and if awarded the Texas Lottery Commission (TLC) contract, SG will then proceed with finalizing an award of this RFQ.

SG may award one or more Subcontracts as a result of this procurement. Following notification of award and subsequent successful negotiation if required, SG intends to enter into a Subcontract with the Successful Bidder(s) and the Successful Bidder(s) will then be a Subcontractor to SG.

### 2. Scope

#### 2.1 Scope

The information below is intended to give the Supplier an idea of the overall scope required as part of this RFQ. The products outlined are estimates only and do not constitute volume guarantees or commitments. SG will further refine its needs prior to award and communicate those to selected Supplier(s).

#### 2.2 Product Specifications:

ITEM	DIMENSIONS & SPECS	UNIT	YR'09-YR'10 ANNUAL QTY
1	Holographic Paperboard, 10 pt, C1S, Various Patterns as requested, holographic film laminated to the coated side. Film side must have clear primer coating to allow for printing over the film. Rolls to be 60" diameter, 6" Cores and 24.375" wide	ROLLS	88

#### 2.3 Other Specifications

- Ship to Location: Alpharetta, Georgia

### 3. Instructions to Suppliers

#### 3.1 RFQ Responses & Submission of Proposals

##### A. Suppliers should submit:

- An email to SG Contact indicated in Section 3.3 by the RFQ deadline, with the electronic proposal as an attachment

##### B. Proposals must include the following:

- Completed Appendix A – Qualitative Questions
- Completed Appendix B – Proposal Response
- Attached Supporting Documentation for the above

#### 3.2 RFQ Process and Timing

The timeline for this RFQ process is aggressive; proposals are due by COB on the date listed below. SG in its sole discretion may enter into contract negotiations/discussions with the Supplier(s) who submit proposals found to best meet the needs of this initiative.

Potential Suppliers are advised to review all sections of this RFQ carefully and to follow instructions completely, failure to make a complete submission as described elsewhere herein may result in rejection of the proposal and disqualification of the Supplier from further participation.

Proposals that depart from or materially alter the terms, requirements, or scope of work defined by this RFQ may be rejected for being non-responsive.

**Table 3.2 Key RFQ Dates:**

Activity	Date
RFQ sent out to suppliers	December 4, 2011
Supplier Response Deadline	December 13, 2011 – 5pm CST
Supplier Selection <ul style="list-style-type: none"> <li>• Contract contingent upon TLC RFP Award, SG Compliance Review and mutual acceptance of Terms &amp; Conditions</li> </ul>	December 20, 2011

#### 3.3 Communications, Inquiries and Questions

Your interest in working with SG is welcomed; however, SG will only answer submitted questions if SG solely determines the question is critical to the success of the RFQ process. Responses will be circulated to all bidders. During the period from your company's receipt of this RFQ until a contract is awarded, ANY and ALL communication, including questions, concerning this RFQ should ONLY be directed to the RFQ Administrator specified below.

Contact: Lissa Owens  
 Scientific Games  
 Procurement Department  
 Email: lissa.owens@scientificgames.com  
 Phone: (770) 664-3718

When submitting an e-mail, please include the RFQ NAME and your company name in the subject heading of the message. Inquiries should make specific reference to the sections and page numbers from this RFQ, where applicable.

### 4. RFQ Terms and Conditions

It is consented that by submitting a proposal, the Supplier is in agreement with the following RFQ terms and conditions. If there is an objection to these terms, the Supplier must note those objections in the Supplier Feedback section of Appendix B – Proposal Response.

#### **4.1 Contracting Period**

A contract will be contingent upon;

- SG being awarded the Texas Lottery contract referenced in this RFQ
- Selected suppliers passing SG's internal Compliance with Law and Background Screening
- SG and Supplier mutually agreeing upon Terms and Conditions

The contracted products are anticipated to begin in *July 1, 2012*. All awarded subcontracting opportunities are for one (1) year with options to renew.

#### **4.2 Invoicing and Payment Processing**

Invoice charges must match agreed-upon contract pricing. All invoices should show all applicable charges. Invoices should have capability to be submitted in both printed form and Electronic Data Interchange (EDI) or Internet standard formats. Invoices shall be payable by SG thirty (30) days after receipt. In the event of a legitimate dispute with regard to errors on an invoice, SG has the right to withhold payment of any disputed amount on such invoice while the parties attempt to resolve the disputed amount in accordance with the dispute resolution procedures specified in the contract.

#### **4.3 Insurance**

SG is either self-insured or maintains a coverage policy; therefore, all bids must be exclusive of insurance costs. Supplier shall at all times during the term of this agreement have and maintain in full force and effect the following insurance coverage with reliable insurance companies acceptable to SG:

- a) Bodily Injury and Property Damage (\$1 million comprehensive)
- b) Commercial Auto Liability with Bodily Injury and Property Damage, including Owned, Non-Owned and Hired Auto Liability (\$500,000)
- c) Statutory Workers' Compensation as required by applicable law and Employer's Liability (or state approved self-insurance).

Supplier shall also provide SG additional insured status and waiver of subrogation in SG's favor

#### **4.4 Duration and Availability of Proposed Prices**

The prices, terms and conditions specified in the Supplier's proposal must be valid for a period of one hundred twenty (120) days from the due date of the proposals. Once a contract is signed, the prices must remain valid for the term of that contract and any subsequent extension(s); unless SG agrees in writing that the pricing should be modified.

#### **4.5 Statement of Non-Commitment**

This RFQ is not an offer to enter into an agreement with any Supplier; it is a request to receive proposals from Suppliers interested in providing SG products and products specified within. SG reserves the right to reject all proposals, in whole or in part, and/or enter into discussions with any party to provide such products. SG will not have any obligation to the Supplier unless and until it has entered into a written agreement with the Supplier on terms and conditions satisfactory to SG. SG entering into negotiations with the Supplier with respect to any proposal or otherwise shall not be deemed to be an acceptance of such proposal or an agreement with the Supplier. Supplier-specific information (such as names, contact information, or pricing data) is used solely for Supplier selection on behalf of SG.

#### **4.6 Supplier Demonstration of Proposed Capabilities, Products and/or Products**

At the discretion of SG, the Supplier must be prepared to provide any evidence of experience, performance, ability, and/or financial surety that SG deems necessary to fully establish the performance capabilities represented in their proposal. Any required confirmation must be provided in writing to SG without cost to SG.



#### **4.7 Ownership of Proposals**

Proposals and any other materials submitted by a Bidder in response to this RFQ will become the exclusive property of SG upon receipt and will not be returned.

#### **4.8 Execution of Contract**

Once the evaluation of the proposals and the Supplier selection are complete, the selected proposal(s), if any, and this RFQ will serve as the basis for a contract that will be negotiated and executed between SG and the selected Supplier(s). This RFQ and the proposal will likely be attached to the contract as exhibits.

#### **4.9 Oral Agreements or Arrangements**

Any alleged oral agreements or arrangements made by the Supplier with any SG agent or employee will be disregarded in any proposal evaluation or associated award.

#### **4.10 Independent Price Determinants**

The Supplier shall warrant, represent, and certify that the following requirements have been met in connection with their proposal for this RFQ:

The prices proposed have been arrived at independently, without consultation, communication, or agreement for the purpose of restricting competition as to any matter relating to such process with any other organization or with any competitor; unless otherwise required by law, the pricing proposed has not been knowingly disclosed by the Supplier on a prior basis directly or indirectly to any other organization or to any competitor; and no attempt has been made, or will be made, by the proposed to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

#### **4.11 Payments Against a Contract Award**

Under no circumstances shall the successful Supplier begin to perform under a contract prior to the effective date of such contract. SG shall assume no liability for payments under the terms of the contract until the successful Supplier is notified that the contract has been accepted by SG. In no case shall a successful Supplier bill SG prices in excess of the price indicated in the final contract agreed to and accepted by SG. Any authorized or agreed additional charges can only be approved for payment by means of an amendment to the contract.

#### **4.12 No SG Liability for Proposal Costs**

SG is not liable for any costs incurred by Bidders as a result of responding to this RFQ.

#### **4.13 Proposal Disclosure Prohibition**

Disclosure of Proposal contents by a Bidder to any third party prior to Subcontract Award in this procurement may result in disqualification.

#### **4.14 Conflict of Interest**

A Bidder shall not give money or any other thing of value to members of SG's evaluation committee or to any employee of SG.

#### **4.15 Approval of Subcontract**

The Texas Department of Revenue, Lottery Division, retains the right to approve each Subcontractor. Such approval shall not be unreasonably withheld.

#### **4.16 Probity Investigations of Subcontractor**

The Texas Department of Revenue, Lottery Division, shall have the right to conduct probity investigations of any Subcontractor prior to and during the term of its Subcontract with SG.

#### **4.17 SG's Right to Audit and Access to Records, Record Keeping and Record Transfer**

The Supplier shall prepare, maintain and preserve all records with respect to the administration of this program. During the term of the contract, SG shall have access during normal business hours to all such records, in whatever form they exist or are stored. The Supplier shall afford the officers, attorneys, accountants, auditors, and other authorized representatives of SG free and full

access to the records to be maintained by the Supplier pertinent to the RFQ.

At the option of SG, periodic audits may, at reasonable times, be made of the successful Suppliers' and all of their sub-contractors' books and records insofar as they pertain to the contract. Such audits shall be made at SG's expense by SG, or independent public accountants designated by SG. Said books and records shall be made available by the Supplier to the Auditors of SG. In the case that any discrepancy or breach of contract is discovered, all auditing expenses will be charged to the Supplier in addition to any legal settlements.

#### **4.18 Confidentiality and Care of Data**

The Supplier agrees to protect the confidentiality of any files, data or other materials pertaining to this RFQ and any resulting contract and to restrict their use solely for the purpose of completing this RFQ or fulfilling a resulting contract. The Supplier shall take all steps necessary to safeguard data, files, reports or other information from loss, destruction or erasure. Any costs or expenses of replacing or damages resulting from the loss of such data shall be borne by the Supplier when such loss or damage occurred through its negligence.

#### **4.19 Compliance with Law and Background Screening**

Supplier specifically acknowledges that SG is subject to the gaming and licensing requirements of various jurisdictions and is obliged to take reasonable efforts to determine the suitability of its business associates. Supplier agrees to cooperate fully with SG in providing it with any information, of whatever nature, that SG deems necessary or appropriate in assuring itself that Supplier possesses the good character, honesty, integrity, and reputation applicable to those engaged in the gaming industry and Supplier specifically represents that there is nothing in Supplier's background, history, or reputation that would be deemed unsuitable under the standards applicable to the gaming industry. If, during the term of any Agreement, SG is notified by any regulatory agency that the conduct of business with Supplier will jeopardize SG, or its affiliates', license or ability to be licensed or if SG concludes that Supplier fails to meet the above criteria, this Agreement shall terminate upon written notice by SG.

In addition, by responding to this RFQ Supplier represents and warrants, and, if selected shall be expected to provide representations and warranties in any contract entered into between the parties concerning, compliance with all laws, including but not limited to, applicable anti-corruption, competition, licensing, and registration laws, including the Foreign Corrupt Practices Act (FCPA); and with any applicable laws, regulations, and administrative requirements promulgated under the OECD Convention on Combating Bribery of Foreign Public Officials; and other similar representations and warranties.

Individual Supplier employees or subcontractors assigned to perform products at or on behalf of Supplier and who are to be granted (a) unescorted physical access rights to any Supplier's facility (as determined by SG), or (b) any local or remote network access rights, must submit to and pass SG standard state and federal felony and misdemeanor records screening. Screening shall include social security verification and corresponding information attached to the social security number. County and or municipal checks shall be conducted as required or to further obtain charge or case specifics and determine eligibility for work. Certain Products performed by Supplier may also require credit history screening and or national records screening via fingerprint card applications sent to the FBI/DOJ for processing as dictated by SG' customer contract requirements. Follow up searches may be conducted annually thereafter.



## Appendix A: Qualitative Questions

All respondents must answer questions 1-7 in the table below. Please enter your responses using as much space as necessary.

No.	Question	Response
1	Provide the official contact person (including name, phone, fax, e-mail address) with whom SG shall communicate regarding this RFQ.	
2	Provide your Texas Payee ID or Federal ID Number	
3	Confirm your company status as either a; certified HUB in the state of Texas, or a Minority or Woman Trade Organization. <u>Attach valid certificates and/or supporting documentation.</u>	
4	Indicate whether your firm has been or is the subject of a bankruptcy or insolvency proceeding or subject of assignment for benefit of creditors.	
5	Please provide a brief background on your company, including information on how long your company has been in business, ownership structure, location of your offices, and number of employees.	
6	Please confirm you have the State licenses, permits, certificates and authorizations needed to provide these products.	
7	<p>Supply a minimum of two (2) references that will attest to your ability (in the last three years) to provide products similar in scope to those outlined. For each reference, provide the following information:</p> <ul style="list-style-type: none"> <li>• The client organization's name, mailing address, contact name, telephone number and email address</li> <li>• The approximate period during which the products were provided</li> <li>• A summary of the type, quantity, and scope s</li> </ul>	

**Appendix B: Proposal Response**

ITEM	DIMENSIONS & SPECS	UNIT	ANNUAL QTY	PRICE/ROLL	TOTAL (\$)
1	Holographic Paperboard, 10 pt, C1S, Various Patterns as requested, holographic film laminated to the coated side. Film side must have clear primer coating to allow for printing over the film. Rolls to be 60" diameter, 6" Cores and 24.375" wide	ROLLS	88		
	<b>TOTAL COST</b>				

Company Name	Date
Contact Name	Signature



# Scientific Games International, Inc. Request for Qualifications (RFQ)

## Holographic Paper

12/05/11

### 1. Introduction

#### 1.1 Background

Scientific Games Corporation (Scientific Games or SG) is a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers. The Company's products and products include instant lottery games, lottery gaming systems, terminals and products, and Internet applications, as well as server-based interactive gaming machines and associated gaming control systems. SG is divided into three business segments: Printed Products Group, Lottery Systems Group and Diversified Gaming Group. Printed Products Group is a provider of instant lottery tickets in the world. The Company's Lottery Systems Group is a provider of customized computer software, software support, equipment and data communication products to lotteries. Its Diversified Gaming Group provides products and systems to private and public operators in the wide area gaming industry.

#### 1.2 Intent & Objective of the RFQ

The intent & objective of this RFQ is to identify capable, qualified, experienced and cost competitive suppliers including certified Historically Underutilized Businesses (HUB's) in the state of Texas who can provide *Holographic Paper* contingent upon SG being awarded a contract under Texas Lottery RFP 362-12-0001. SG is requesting proposals for these products and if awarded the Texas Lottery Commission (TLC) contract, SG will then proceed with finalizing an award of this RFQ.

SG may award one or more Subcontracts as a result of this procurement. Following notification of award and subsequent successful negotiation if required, SG intends to enter into a Subcontract with the Successful Bidder(s) and the Successful Bidder(s) will then be a Subcontractor to SG.

### 2. Scope

#### 2.1 Scope

The information below is intended to give the Supplier an idea of the overall scope required as part of this RFQ. The products outlined are estimates only and do not constitute volume guarantees or commitments. SG will further refine its needs prior to award and communicate those to selected Supplier(s).

#### 2.2 Product Specifications:

ITEM	DIMENSIONS & SPECS	UNIT	YR'09-YR'10 ANNUAL QTY
1	Holographic Paperboard, 10 pt, C1S, Various Patterns as requested, holographic film laminated to the coated side. Film side must have clear primer coating to allow for printing over the film. Rolls to be 60" diameter, 6" Cores and 24.375" wide	ROLLS	88

#### 2.3 Other Specifications

- Ship to Location: Alpharetta, Georgia

### 3. Instructions to Suppliers

#### 3.1 RFQ Responses & Submission of Proposals

##### A. Suppliers should submit:

- An email to SG Contact indicated in Section 3.3 by the RFQ deadline, with the electronic proposal as an attachment

##### B. Proposals must include the following:

- Completed Appendix A – Qualitative Questions
- Completed Appendix B – Proposal Response
- Attached Supporting Documentation for the above

#### 3.2 RFQ Process and Timing

The timeline for this RFQ process is aggressive; proposals are due by COB on the date listed below. SG in its sole discretion may enter into contract negotiations/discussions with the Supplier(s) who submit proposals found to best meet the needs of this initiative.

Potential Suppliers are advised to review all sections of this RFQ carefully and to follow instructions completely, failure to make a complete submission as described elsewhere herein may result in rejection of the proposal and disqualification of the Supplier from further participation.

Proposals that depart from or materially alter the terms, requirements, or scope of work defined by this RFQ may be rejected for being non-responsive.

**Table 3.2 Key RFQ Dates:**

Activity	Date
RFQ sent out to suppliers	December 5, 2011
Supplier Response Deadline	December 14, 2011 – 5pm CST
Supplier Selection <ul style="list-style-type: none"> <li>• Contract contingent upon TLC RFP Award, SG Compliance Review and mutual acceptance of Terms &amp; Conditions</li> </ul>	December 20, 2011

#### 3.3 Communications, Inquiries and Questions

Your interest in working with SG is welcomed; however, SG will only answer submitted questions if SG solely determines the question is critical to the success of the RFQ process. Responses will be circulated to all bidders. During the period from your company's receipt of this RFQ until a contract is awarded, ANY and ALL communication, including questions, concerning this RFQ should ONLY be directed to the RFQ Administrator specified below.

Contact: Lissa Owens  
 Scientific Games  
 Procurement Department  
 Email: lissa.owens@scientificgames.com  
 Phone: (770) 664-3718

When submitting an e-mail, please include the RFQ NAME and your company name in the subject heading of the message. Inquiries should make specific reference to the sections and page numbers from this RFQ, where applicable.

### 4. RFQ Terms and Conditions

It is consented that by submitting a proposal, the Supplier is in agreement with the following RFQ terms and conditions. If there is an objection to these terms, the Supplier must note those objections in the Supplier Feedback section of Appendix B – Proposal Response.

#### **4.1 Contracting Period**

A contract will be contingent upon;

- SG being awarded the Texas Lottery contract referenced in this RFQ
- Selected suppliers passing SG's internal Compliance with Law and Background Screening
- SG and Supplier mutually agreeing upon Terms and Conditions

The contracted products are anticipated to begin in *July 1, 2012*. All awarded subcontracting opportunities are for one (1) year with options to renew.

#### **4.2 Invoicing and Payment Processing**

Invoice charges must match agreed-upon contract pricing. All invoices should show all applicable charges. Invoices should have capability to be submitted in both printed form and Electronic Data Interchange (EDI) or Internet standard formats. Invoices shall be payable by SG thirty (30) days after receipt. In the event of a legitimate dispute with regard to errors on an invoice, SG has the right to withhold payment of any disputed amount on such invoice while the parties attempt to resolve the disputed amount in accordance with the dispute resolution procedures specified in the contract.

#### **4.3 Insurance**

SG is either self-insured or maintains a coverage policy; therefore, all bids must be exclusive of insurance costs. Supplier shall at all times during the term of this agreement have and maintain in full force and effect the following insurance coverage with reliable insurance companies acceptable to SG:

- a) Bodily Injury and Property Damage (\$1 million comprehensive)
- b) Commercial Auto Liability with Bodily Injury and Property Damage, including Owned, Non-Owned and Hired Auto Liability (\$500,000)
- c) Statutory Workers' Compensation as required by applicable law and Employer's Liability (or state approved self-insurance).

Supplier shall also provide SG additional insured status and waiver of subrogation in SG's favor

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Once the evaluation of the proposals and the Supplier selection are complete, the selected proposal(s), if any, and this RFQ will serve as the basis for a contract that will be negotiated and executed between SG and the selected Supplier(s). This RFQ and the proposal will likely be attached to the contract as exhibits.

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access to the records to be maintained by the Supplier pertinent to the RFQ.

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#### **4.18 Confidentiality and Care of Data**

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In addition, by responding to this RFQ Supplier represents and warrants, and, if selected shall be expected to provide representations and warranties in any contract entered into between the parties concerning, compliance with all laws, including but not limited to, applicable anti-corruption, competition, licensing, and registration laws, including the Foreign Corrupt Practices Act (FCPA); and with any applicable laws, regulations, and administrative requirements promulgated under the OECD Convention on Combating Bribery of Foreign Public Officials; and other similar representations and warranties.

Individual Supplier employees or subcontractors assigned to perform products at or on behalf of Supplier and who are to be granted (a) unescorted physical access rights to any Supplier's facility (as determined by SG), or (b) any local or remote network access rights, must submit to and pass SG standard state and federal felony and misdemeanor records screening. Screening shall include social security verification and corresponding information attached to the social security number. County and or municipal checks shall be conducted as required or to further obtain charge or case specifics and determine eligibility for work. Certain Products performed by Supplier may also require credit history screening and or national records screening via fingerprint card applications sent to the FBI/DOJ for processing as dictated by SG' customer contract requirements. Follow up searches may be conducted annually thereafter.

## Appendix A: Qualitative Questions

All respondents must answer questions 1-7 in the table below. Please enter your responses using as much space as necessary.

No.	Question	Response
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2	Provide your Texas Payee ID or Federal ID Number	
3	Confirm your company status as either a; certified HUB in the state of Texas, or a Minority or Woman Trade Organization. <u>Attach valid certificates and/or supporting documentation.</u>	
4	Indicate whether your firm has been or is the subject of a bankruptcy or insolvency proceeding or subject of assignment for benefit of creditors.	
5	Please provide a brief background on your company, including information on how long your company has been in business, ownership structure, location of your offices, and number of employees.	
6	Please confirm you have the State licenses, permits, certificates and authorizations needed to provide these products.	
7	<p>Supply a minimum of two (2) references that will attest to your ability (in the last three years) to provide products similar in scope to those outlined. For each reference, provide the following information:</p> <ul style="list-style-type: none"> <li>• The client organization's name, mailing address, contact name, telephone number and email address</li> <li>• The approximate period during which the products were provided</li> <li>• A summary of the type, quantity, and scope s</li> </ul>	



**Appendix B: Proposal Response**

ITEM	DIMENSIONS & SPECS	UNIT	ANNUAL QTY	PRICE/ROLL	TOTAL (\$)
1	Holographic Paperboard, 10 pt, C1S, Various Patterns as requested, holographic film laminated to the coated side. Film side must have clear primer coating to allow for printing over the film. Rolls to be 60" diameter, 6" Cores and 24.375" wide	ROLLS	88		
<b>TOTAL COST</b>					

Company Name	Date
Contact Name	Signature



# Scientific Games International, Inc. Request for Qualifications (RFQ)

## Holographic Paper

01/05/12

### 1. Introduction

#### 1.1 Background

Scientific Games Corporation (Scientific Games or SG) is a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers. The Company's products and products include instant lottery games, lottery gaming systems, terminals and products, and Internet applications, as well as server-based interactive gaming machines and associated gaming control systems. SG is divided into three business segments: Printed Products Group, Lottery Systems Group and Diversified Gaming Group. Printed Products Group is a provider of instant lottery tickets in the world. The Company's Lottery Systems Group is a provider of customized computer software, software support, equipment and data communication products to lotteries. Its Diversified Gaming Group provides products and systems to private and public operators in the wide area gaming industry.

#### 1.2 Intent & Objective of the RFQ

The intent & objective of this RFQ is to identify capable, qualified, experienced and cost competitive suppliers including certified Historically Underutilized Businesses (HUB's) in the state of Texas who can provide *Holographic Paper* contingent upon SG being awarded a contract under Texas Lottery RFP 362-12-0001. SG is requesting proposals for these products and if awarded the Texas Lottery Commission (TLC) contract, SG will then proceed with finalizing an award of this RFQ.

SG may award one or more Subcontracts as a result of this procurement. Following notification of award and subsequent successful negotiation if required, SG intends to enter into a Subcontract with the Successful Bidder(s) and the Successful Bidder(s) will then be a Subcontractor to SG.

### 2. Scope

#### 2.1 Scope

The information below is intended to give the Supplier an idea of the overall scope required as part of this RFQ. The products outlined are estimates only and do not constitute volume guarantees or commitments. SG will further refine its needs prior to award and communicate those to selected Supplier(s).

#### 2.2 Product Specifications:

ITEM	DIMENSIONS & SPECS	UNIT	YR'09-YR'10 ANNUAL QTY
1	Holographic Paperboard, 10 pt, C1S, Various Patterns as requested, holographic film laminated to the coated side. Film side must have clear primer coating to allow for printing over the film. Rolls to be 60" diameter, 6" Cores and 24.375" wide	ROLLS	88

#### 2.3 Other Specifications

- Ship to Location: Alpharetta, Georgia

### 3. Instructions to Suppliers

#### 3.1 RFQ Responses & Submission of Proposals

##### A. Suppliers should submit:

- An email to SG Contact indicated in Section 3.3 by the RFQ deadline, with the electronic proposal as an attachment

##### B. Proposals must include the following:

- Completed Appendix A – Qualitative Questions
- Completed Appendix B – Proposal Response
- Attached Supporting Documentation for the above

#### 3.2 RFQ Process and Timing

The timeline for this RFQ process is aggressive; proposals are due by COB on the date listed below. SG in its sole discretion may enter into contract negotiations/discussions with the Supplier(s) who submit proposals found to best meet the needs of this initiative.

Potential Suppliers are advised to review all sections of this RFQ carefully and to follow instructions completely, failure to make a complete submission as described elsewhere herein may result in rejection of the proposal and disqualification of the Supplier from further participation.

Proposals that depart from or materially alter the terms, requirements, or scope of work defined by this RFQ may be rejected for being non-responsive.

**Table 3.2 Key RFQ Dates:**

Activity	Date
RFQ sent out to suppliers	January 5, 2012
Supplier Response Deadline	January 17, 2012 – 5pm CST
Supplier Selection <ul style="list-style-type: none"> <li>• Contract contingent upon TLC RFP Award, SG Compliance Review and mutual acceptance of Terms &amp; Conditions</li> </ul>	January 19, 2012

#### 3.3 Communications, Inquiries and Questions

Your interest in working with SG is welcomed; however, SG will only answer submitted questions if SG solely determines the question is critical to the success of the RFQ process. Responses will be circulated to all bidders. During the period from your company's receipt of this RFQ until a contract is awarded, ANY and ALL communication, including questions, concerning this RFQ should ONLY be directed to the RFQ Administrator specified below.

Contact: Lissa Owens  
 Scientific Games  
 Procurement Department  
 Email: lissa.owens@scientificgames.com  
 Phone: (770) 664-3718

When submitting an e-mail, please include the RFQ NAME and your company name in the subject heading of the message. Inquiries should make specific reference to the sections and page numbers from this RFQ, where applicable.

### 4. RFQ Terms and Conditions

It is consented that by submitting a proposal, the Supplier is in agreement with the following RFQ terms and conditions. If there is an objection to these terms, the Supplier must note those objections in the Supplier Feedback section of Appendix B – Proposal Response.

#### **4.1 Contracting Period**

A contract will be contingent upon;

- SG being awarded the Texas Lottery contract referenced in this RFQ
- Selected suppliers passing SG's internal Compliance with Law and Background Screening
- SG and Supplier mutually agreeing upon Terms and Conditions

The contracted products are anticipated to begin in *July 1, 2012*. All awarded subcontracting opportunities are for one (1) year with options to renew.

#### **4.2 Invoicing and Payment Processing**

Invoice charges must match agreed-upon contract pricing. All invoices should show all applicable charges. Invoices should have capability to be submitted in both printed form and Electronic Data Interchange (EDI) or Internet standard formats. Invoices shall be payable by SG thirty (30) days after receipt. In the event of a legitimate dispute with regard to errors on an invoice, SG has the right to withhold payment of any disputed amount on such invoice while the parties attempt to resolve the disputed amount in accordance with the dispute resolution procedures specified in the contract.

#### **4.3 Insurance**

SG is either self-insured or maintains a coverage policy; therefore, all bids must be exclusive of insurance costs. Supplier shall at all times during the term of this agreement have and maintain in full force and effect the following insurance coverage with reliable insurance companies acceptable to SG:

- a) Bodily Injury and Property Damage (\$1 million comprehensive)
- b) Commercial Auto Liability with Bodily Injury and Property Damage, including Owned, Non-Owned and Hired Auto Liability (\$500,000)
- c) Statutory Workers' Compensation as required by applicable law and Employer's Liability (or state approved self-insurance).

Supplier shall also provide SG additional insured status and waiver of subrogation in SG's favor

#### **4.4 Duration and Availability of Proposed Prices**

The prices, terms and conditions specified in the Supplier's proposal must be valid for a period of one hundred twenty (120) days from the due date of the proposals. Once a contract is signed, the prices must remain valid for the term of that contract and any subsequent extension(s); unless SG agrees in writing that the pricing should be modified.

#### **4.5 Statement of Non-Commitment**

This RFQ is not an offer to enter into an agreement with any Supplier; it is a request to receive proposals from Suppliers interested in providing SG products and products specified within. SG reserves the right to reject all proposals, in whole or in part, and/or enter into discussions with any party to provide such products. SG will not have any obligation to the Supplier unless and until it has entered into a written agreement with the Supplier on terms and conditions satisfactory to SG. SG entering into negotiations with the Supplier with respect to any proposal or otherwise shall not be deemed to be an acceptance of such proposal or an agreement with the Supplier. Supplier-specific information (such as names, contact information, or pricing data) is used solely for Supplier selection on behalf of SG.

#### **4.6 Supplier Demonstration of Proposed Capabilities, Products and/or Products**

At the discretion of SG, the Supplier must be prepared to provide any evidence of experience, performance, ability, and/or financial surety that SG deems necessary to fully establish the performance capabilities represented in their proposal. Any required confirmation must be provided in writing to SG without cost to SG.

#### **4.7 Ownership of Proposals**

Proposals and any other materials submitted by a Bidder in response to this RFQ will become the exclusive property of SG upon receipt and will not be returned.

#### **4.8 Execution of Contract**

Once the evaluation of the proposals and the Supplier selection are complete, the selected proposal(s), if any, and this RFQ will serve as the basis for a contract that will be negotiated and executed between SG and the selected Supplier(s). This RFQ and the proposal will likely be attached to the contract as exhibits.

#### **4.9 Oral Agreements or Arrangements**

Any alleged oral agreements or arrangements made by the Supplier with any SG agent or employee will be disregarded in any proposal evaluation or associated award.

#### **4.10 Independent Price Determinants**

The Supplier shall warrant, represent, and certify that the following requirements have been met in connection with their proposal for this RFQ:

The prices proposed have been arrived at independently, without consultation, communication, or agreement for the purpose of restricting competition as to any matter relating to such process with any other organization or with any competitor; unless otherwise required by law, the pricing proposed has not been knowingly disclosed by the Supplier on a prior basis directly or indirectly to any other organization or to any competitor; and no attempt has been made, or will be made, by the proposed to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

#### **4.11 Payments Against a Contract Award**

Under no circumstances shall the successful Supplier begin to perform under a contract prior to the effective date of such contract. SG shall assume no liability for payments under the terms of the contract until the successful Supplier is notified that the contract has been accepted by SG. In no case shall a successful Supplier bill SG prices in excess of the price indicated in the final contract agreed to and accepted by SG. Any authorized or agreed additional charges can only be approved for payment by means of an amendment to the contract.

#### **4.12 No SG Liability for Proposal Costs**

SG is not liable for any costs incurred by Bidders as a result of responding to this RFQ.

#### **4.13 Proposal Disclosure Prohibition**

Disclosure of Proposal contents by a Bidder to any third party prior to Subcontract Award in this procurement may result in disqualification.

#### **4.14 Conflict of Interest**

A Bidder shall not give money or any other thing of value to members of SG's evaluation committee or to any employee of SG.

#### **4.15 Approval of Subcontract**

The Texas Department of Revenue, Lottery Division, retains the right to approve each Subcontractor. Such approval shall not be unreasonably withheld.

#### **4.16 Probity Investigations of Subcontractor**

The Texas Department of Revenue, Lottery Division, shall have the right to conduct probity investigations of any Subcontractor prior to and during the term of its Subcontract with SG.

#### **4.17 SG' Right to Audit and Access to Records, Record Keeping and Record Transfer**

The Supplier shall prepare, maintain and preserve all records with respect to the administration of this program. During the term of the contract, SG shall have access during normal business hours to all such records, in whatever form they exist or are stored. The Supplier shall afford the officers, attorneys, accountants, auditors, and other authorized representatives of SG free and full

access to the records to be maintained by the Supplier pertinent to the RFQ.

At the option of SG, periodic audits may, at reasonable times, be made of the successful Suppliers' and all of their sub-contractors' books and records insofar as they pertain to the contract. Such audits shall be made at SG's expense by SG, or independent public accountants designated by SG. Said books and records shall be made available by the Supplier to the Auditors of SG. In the case that any discrepancy or breach of contract is discovered, all auditing expenses will be charged to the Supplier in addition to any legal settlements.

#### **4.18 Confidentiality and Care of Data**

The Supplier agrees to protect the confidentiality of any files, data or other materials pertaining to this RFQ and any resulting contract and to restrict their use solely for the purpose of completing this RFQ or fulfilling a resulting contract. The Supplier shall take all steps necessary to safeguard data, files, reports or other information from loss, destruction or erasure. Any costs or expenses of replacing or damages resulting from the loss of such data shall be borne by the Supplier when such loss or damage occurred through its negligence.

#### **4.19 Compliance with Law and Background Screening**

Supplier specifically acknowledges that SG is subject to the gaming and licensing requirements of various jurisdictions and is obliged to take reasonable efforts to determine the suitability of its business associates. Supplier agrees to cooperate fully with SG in providing it with any information, of whatever nature, that SG deems necessary or appropriate in assuring itself that Supplier possesses the good character, honesty, integrity, and reputation applicable to those engaged in the gaming industry and Supplier specifically represents that there is nothing in Supplier's background, history, or reputation that would be deemed unsuitable under the standards applicable to the gaming industry. If, during the term of any Agreement, SG is notified by any regulatory agency that the conduct of business with Supplier will jeopardize SG, or its affiliates', license or ability to be licensed or if SG concludes that Supplier fails to meet the above criteria, this Agreement shall terminate upon written notice by SG.

In addition, by responding to this RFQ Supplier represents and warrants, and, if selected shall be expected to provide representations and warranties in any contract entered into between the parties concerning, compliance with all laws, including but not limited to, applicable anti-corruption, competition, licensing, and registration laws, including the Foreign Corrupt Practices Act (FCPA); and with any applicable laws, regulations, and administrative requirements promulgated under the OECD Convention on Combating Bribery of Foreign Public Officials; and other similar representations and warranties.

Individual Supplier employees or subcontractors assigned to perform products at or on behalf of Supplier and who are to be granted (a) unescorted physical access rights to any Supplier's facility (as determined by SG), or (b) any local or remote network access rights, must submit to and pass SG standard state and federal felony and misdemeanor records screening. Screening shall include social security verification and corresponding information attached to the social security number. County and or municipal checks shall be conducted as required or to further obtain charge or case specifics and determine eligibility for work. Certain Products performed by Supplier may also require credit history screening and or national records screening via fingerprint card applications sent to the FBI/DOJ for processing as dictated by SG' customer contract requirements. Follow up searches may be conducted annually thereafter.

## Appendix A: Qualitative Questions

All respondents must answer questions 1-7 in the table below. Please enter your responses using as much space as necessary.

No.	Question	Response
1	Provide the official contact person (including name, phone, fax, e-mail address) with whom SG shall communicate regarding this RFQ.	
2	Provide your Texas Payee ID or Federal ID Number	
3	Confirm your company status as either a; certified HUB in the state of Texas, or a Minority or Woman Trade Organization. <u>Attach valid certificates and/or supporting documentation.</u>	
4	Indicate whether your firm has been or is the subject of a bankruptcy or insolvency proceeding or subject of assignment for benefit of creditors.	
5	Please provide a brief background on your company, including information on how long your company has been in business, ownership structure, location of your offices, and number of employees.	
6	Please confirm you have the State licenses, permits, certificates and authorizations needed to provide these products.	
7	<p>Supply a minimum of two (2) references that will attest to your ability (in the last three years) to provide products similar in scope to those outlined. For each reference, provide the following information:</p> <ul style="list-style-type: none"> <li>• The client organization's name, mailing address, contact name, telephone number and email address</li> <li>• The approximate period during which the products were provided</li> <li>• A summary of the type, quantity, and scope s</li> </ul>	

**Appendix B: Proposal Response**

ITEM	DIMENSIONS & SPECS	UNIT	ANNUAL QTY	PRICE/ROLL	TOTAL (\$)
1	Holographic Paperboard, 10 pt, C1S, Various Patterns as requested, holographic film laminated to the coated side. Film side must have clear primer coating to allow for printing over the film. Rolls to be 60" diameter, 6" Cores and 24.375" wide	ROLLS	88		
	<b>TOTAL COST</b>				

Company Name	Date
Contact Name	Signature





**TEXAS LOTTERY  
COMMISSION**

**Coated Paperboard**



# HSP Good Faith Effort - Method B (Attachment B)

(Rev. 10/11)

Enter your company's name here: Scientific Games

Requisition #: 362-12-0001

**IMPORTANT:** If you responded "No" to SECTION 2, Items c and d of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed in SECTION 2, Item b of the completed HSP form. You may photo-copy this page or download the form at <http://www.window.state.tx.us/procurement/prog/hub/hub-forms/HUBSubcontractingPlanAttachment-B.doc>

## SECTION B-1 SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing this attachment.

Item #: 7 Description: Coated Paperboard

## SECTION B-2 MENTOR PROTÉGÉ PROGRAM

If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in SECTION B-1, constitutes a good faith effort to subcontract with a Texas certified HUB towards that specific portion of work.

Check the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé.

- Yes (If Yes, to continue to SECTION B-4.)  
 - No / Not Applicable (If No or Not Applicable, continue to SECTION B-3.)

## SECTION B-3 NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

When completing this section you **MUST** comply with items a, b, c and d, thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and minority or women trade organizations or development centers about the subcontracting opportunity you listed in SECTION B-1. Your notice should include the scope of work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person.

When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at <http://www.window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan/>

Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and minority or women trade organizations or development centers.

- Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HUBs at least seven (7) working days to respond to the notice prior to your submitting your bid response to the contracting agency. When searching for Texas certified HUBs, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) and Historically Underutilized Business (HUB) Search directory located at <http://www.window.state.tx.us/procurement/cmb/cmbhub.html>. HUB Status code "A" signifies that the company is a Texas certified HUB.
- List the three (3) Texas certified HUBs you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company's Vendor ID (VID) number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

Company Name	VID #	Date Notice Sent (mm/dd/yyyy)	Did the HUB Respond?
Just Papers	1421674475600	12 / 05 / 11	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No
Worthington Paper	1752569573400	12 / 05 / 11	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No
Spectrum Paper Co., Inc.	1742983924800	01 / 05 / 12	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No

- Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to minority or women trade organizations or development centers to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to minority or women trade organizations or development centers at least seven (7) working days prior to submitting your bid response to the contracting agency.

A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program's webpage at <http://www.window.state.tx.us/procurement/prog/hub/mwb-links-1/>

- Enter the name of the minority or women trade organizations or development centers you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the date when you sent notice to it and indicate if it accepted or rejected your notice.

Minority/Women Trade Organizations or Development Centers	Date Notice Sent (mm/dd/yyyy)	Was the Notice Accepted?
Women's Business Council - Southwest	12 / 05 / 11	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No
American Indian Chamber of Commerce-TX	12 / 05 / 11	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No

# HSP Good Faith Effort - Method B (Attachment B) *Cont.*

Enter your company's name here: Scientific Games

Requisition #: 362-12-0001

## SECTION B-4 SUBCONTRACTOR SELECTION

- a. List the subcontractor(s) you selected to perform the subcontracting opportunity you listed in SECTION B-1. Also identify whether they are a Texas Certified HUB and their VID number, the approximate dollar value of the work to be subcontracted, the expected percentage of work to be subcontracted, and indicate whether the company is a Texas certified HUB.

Company Name	Texas Certified HUB	VID # <small>(Required if Texas Certified HUB)</small>	Approximate Dollar Amount	Expected Percentage of Contract
Worthington Paper - VID# 1752569573400	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No	1752569573	\$955,000	19.10%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

- b. If any of the subcontractors you have selected to perform the subcontracting opportunity you listed in SECTION B-1 is **not** a Texas certified HUB, provide written justification for your selection process (attach additional page if necessary):

**REMINDER:** As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to **all** the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity it (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.

CODE: 645-64  
Offset Paper

Tx. Gov't Code  
\$552.137

# Results for HUBs only Search

CMBL/HUB Vendor Detail	
Vendor ID / Number:	1421674475600 / 23707
HUB Status:	A (HUB on CMBL)
HUB Expire Date:	26-AUG-13
Vendor Name:	JUST PAPERS
Vendor Address:	P.O. BOX 161013 AUSTIN, TX 78716
County:	TRAVIS
Contact:	CAROLINE JUST OR MICHELLE JUST
Phone / Fax:	512-263-1923 / 512-263-9298
Email Address:	[REDACTED]
Ethnicity / Gender:	WO / F
Business Description:	provide products and solutions - printing paper and envelopes, janitorial products and equipment, graphics products and equipment, packaging products and equipment
Business Category:	BUILDING CONSTRUCTION, INCLUDING GENERAL CONTRACTORS AND OPERATIVE BUILDERS (02)
Small Business:	Y

Comptroller's Tax Status This Vendor

Comptroller Lookup Any Vendor

Vendor Performance	Score	# of POs
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:		
Exceptional Performance Reports:		

*1 vendor found where vendor name begins with 'just papers'.*

OFFSET PAPER

# Results for HUBs only Search

Tx. Gov't Code  
\$552.137

CMBL/HUB Vendor Detail	
Vendor ID / Number:	1752569573400 / 10759
HUB Status:	A (HUB on CMBL)
HUB Expire Date:	31-MAY-12
Vendor Name:	WORTHINGTON PAPER CO. INC.
Vendor Address:	P.O. BOX 116672 CARROLLTON, TX 75011-6672
County:	DALLAS
Contact:	John Gibson
Phone / Fax:	972-896-4606 / 972-395-3788
Email Address:	[REDACTED]
Ethnicity / Gender:	BL / F
Business Description:	Printing and Writing Paper Wholesalers
Business Category:	COMMODITIES WHOLESALE/RESELLER (07)
Small Business:	Y

Comptroller's Tax Status This Vendor

Comptroller Lookup Any Vendor

Vendor Performance	Score	# of POs
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:		
Exceptional Performance Reports:		

1 vendor found where vendor name begins with 'worthington paper'.

CODE: 645-64  
Offset Paper

# Results for HUBs only Search

Tx. Gov't Code  
\$552.137

CMBL/HUB Vendor Detail	
Vendor ID / Number:	1742983924800 / 87102
HUB Status:	A (HUB on CMBL)
HUB Expire Date:	12-OCT-15
Vendor Name:	SPECTRUM PAPER CO., INC.
Vendor Address:	27 CONCORD ST. EL PASO, TX 79906 USA
County:	EL PASO
Contact:	Pres./A. Maxine Brown
Phone / Fax:	915-595-0020 / 915-595-3435
Email Address:	[REDACTED]
Ethnicity / Gender:	HI / F
Business Description:	Copy/Printing/Computer/Carbonless Paper Products Floor Care Products Disposable Plastic & paper Non-Food Products Packaging/Shipping Products Janitorial Equipment/Products Office/Computer Supplies Office Furniture/Space Planning Chemical Products
Business Category:	COMMODITIES WHOLESALE/RESELLER (07)
Small Business:	Y

Comptroller's Tax Status This Vendor

Comptroller Lookup Any Vendor

Vendor Performance	Score	# of POs
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:		
Exceptional Performance Reports:		

1 vendor found where vendor name begins with 'spectrum paper'.



Message



From: Owens, Lissa  
To: Owens, Lissa  
Cc:  
Bcc:  
Subject: Scientific Games Coated Paperboard Bid Opportunity - 12/5/11

Sent: Mon 12/5/2011 8:30 AM

**Tx. Gov't Code**  
**\$552.137**

Message TX Lottery - Coated Paperboard rev2 RFQ.docx (109 KB)

Scientific Games, a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers is sourcing qualified, certified HUB's in the state of Texas who can provide the following products and/or services pending a contract award of the Texas Lottery RFP 362-12-0001:

- Coated Paperboard

Please see the attached RFQ (Request for Quotation) and, if interested, provide your response by the deadline of December 14<sup>th</sup>, 2011 – 5:pm CST (Central Standard Time).

Contact me should you have any questions concerning this solicitation.

Thank you.

**Lissa J. Owens**

Sr. Buyer & Diversity Program Manager  
Scientific Games  
(770) 664-3718 office  
(678) 230-4346 cell  
(770) 664-3882 fax



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Message



From: Owens, Lissa  
To: Owens, Lissa  
Cc:  
Bcc:  
Subject: Scientific Games Coated Paperboard Bid Opportunity - 1/5/12

Sent: Thu 1/5/2012 12:12 PM

**Tx. Gov't Code****\$552.137**

Message TX Lottery - Coated Paperboard rev2 1 5 12 RFQ.docx (109 KB)

Scientific Games, a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers is sourcing qualified, certified HUB's in the state of Texas who can provide the following products and/or services pending a contract award of the Texas Lottery RFP 362-12-0001:

- Coated Paperboard

Please see the attached RFQ (Request for Quotation) and, if interested, provide your response by the deadline of January 17<sup>th</sup>, 2012 – 5:00pm CST (Central Standard Time).

*Contact me should you have any questions concerning this solicitation.*

*Thank you.*

**Lissa J. Owens**

Sr. Buyer & Diversity Program Manager

Scientific Games

(770) 664-3718 office

(678) 230-4346 cell

(770) 664-3882 fax



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12:11 PM  
1/5/2012



## Owens, Lissa

---

**From:** System Administrator [postmaster@cont.scientificgames.com]  
**Sent:** Monday, December 05, 2011 8:31 AM  
**To:** Owens, Lissa  
**Subject:** Relay report: 2.0.2 (Message relayed)  
**Attachments:** delivery-status.txt; message-header.txt; Scientific Games Coated Paperboard Bid Opportunity - 12/5/11

### Your message

**From:** Owens, Lissa <[Lissa.Owens@scientificgames.com](mailto:Lissa.Owens@scientificgames.com)>  
**To:** Owens, Lissa <[Lissa.Owens@scientificgames.com](mailto:Lissa.Owens@scientificgames.com)>  
**Subj:** Scientific Games Coated Paperboard Bid Opportunity - 12/5/11  
**Sent:** 2011-12-05 08:29

was relayed to the following recipient(s):

 **Tx. Gov't Code**  
**\$552.137**

Unfortunately, the remote mail system does not support confirmation of actual delivery. Unless the final delivery fails, this will be the only delivery status notification sent.

**Owens, Lissa**

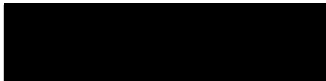
---

**From:** System Administrator [postmaster@cont.scientificgames.com]  
**ent:** Monday, December 05, 2011 8:31 AM  
**to:** Owens, Lissa  
**Subject:** Relay report: 2.0.2 (Message relayed)  
**Attachments:** delivery-status.txt; message-header.txt; Scientific Games Coated Paperboard Bid Opportunity - 12/5/11

Your message

**From:** Owens, Lissa <[Lissa.Owens@scientificgames.com](mailto:Lissa.Owens@scientificgames.com)>  
**To:** Owens, Lissa <[Lissa.Owens@scientificgames.com](mailto:Lissa.Owens@scientificgames.com)>  
**Subj:** Scientific Games Coated Paperboard Bid Opportunity - 12/5/11  
**Sent:** 2011-12-05 08:29

was relayed to the following recipient(s):



**Tx. Gov't Code**  
**\$552.137**

Unfortunately, the remote mail system does not support confirmation of actual delivery. Unless the final delivery fails, this will be the only delivery status notification sent.



# Scientific Games International, Inc. Request for Qualifications (RFQ)

## Coated Paperboard

12/05/11

### 1. Introduction

#### 1.1 Background

Scientific Games Corporation (Scientific Games or SG) is a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers. The Company's products and products include instant lottery games, lottery gaming systems, terminals and products, and Internet applications, as well as server-based interactive gaming machines and associated gaming control systems. SG is divided into three business segments: Printed Products Group, Lottery Systems Group and Diversified Gaming Group. Printed Products Group is a provider of instant lottery tickets in the world. The Company's Lottery Systems Group is a provider of customized computer software, software support, equipment and data communication products to lotteries. Its Diversified Gaming Group provides products and systems to private and public operators in the wide area gaming industry.

#### 1.2 Intent & Objective of the RFQ

The intent & objective of this RFQ is to identify capable, qualified, experienced and cost competitive suppliers including certified Historically Underutilized Businesses (HUB's) in the state of Texas who can provide *Coated Paperboard* contingent upon SG being awarded a contract under Texas Lottery RFP 362-12-0001. SG is requesting proposals for these products and if awarded the Texas Lottery Commission (TLC) contract, SG will then proceed with finalizing an award of this RFQ.

SG may award one or more Subcontracts as a result of this procurement. Following notification of award and subsequent successful negotiation if required, SG intends to enter into a Subcontract with the Successful Bidder(s) and the Successful Bidder(s) will then be a Subcontractor to SG.

### 2. Scope

#### 2.1 Scope

The information below is intended to give the Supplier an idea of the overall scope required as part of this RFQ. SG will further refine its needs prior to award and communicate those to selected Supplier(s).

**2.2 Service Requirements:** Selected suppliers are expected to provide the following distributor and value-added services to support SG with the purchase and supply of *Coated Paperboard*. Services can be provided as a cost plus, fixed fee or on another basis.

- Order management and tracking
- Problem resolution
- Usage and receipts tracking and reporting
- Invoice management
- Product storage (optional)

### 3. Instructions to Suppliers

#### 3.1 RFQ Responses & Submission of Proposals

**A. Suppliers should submit:**

- An email to SG Contact indicated in Section 3.3 by the RFQ deadline, with the electronic proposal as an attachment

**B. Proposals must include the following:**

- Completed Appendix A – Qualitative Questions
- Completed Appendix B – Proposal Response
- Attach Supporting Documentation for the above

**3.2 RFQ Process and Timing**

The timeline for this RFQ process is aggressive; proposals are due by COB on the date listed below. SG in its sole discretion may enter into contract negotiations/discussions with the Supplier(s) who submit proposals found to best meet the needs of this initiative.

Potential Suppliers are advised to review all sections of this RFQ carefully and to follow instructions completely, failure to make a complete submission as described elsewhere herein may result in rejection of the proposal and disqualification of the Supplier from further participation.

Proposals that depart from or materially alter the terms, requirements, or scope of work defined by this RFQ may be rejected for being non-responsive.

**Table 3.2 Key RFQ Dates:**

Activity	Date
RFQ sent out to suppliers	December 5, 2011
Supplier Response Deadline	December 14, 2011 – 5pm CST
Supplier Selection – Notice of Intent to Award <ul style="list-style-type: none"> <li>• Contract contingent upon TLC RFP Award, SG Compliance Review and mutual acceptance of Terms &amp; Conditions</li> </ul>	December 20, 2011

**3.3 Communications, Inquiries and Questions**

Your interest in working with SG is welcomed; however, SG will only answer submitted questions if SG solely determines the question is critical to the success of the RFQ process. Responses will be circulated to all bidders. During the period from your company’s receipt of this RFQ until a contract is awarded, ANY and ALL communication, including questions, concerning this RFQ should ONLY be directed to the RFQ Administrator specified below.

Contact: Lissa Owens  
 Scientific Games  
 Procurement Department

Email: lissa.owens@scientificgames.com

Phone: (770) 664-3718

When submitting an e-mail, please include the RFQ NAME and your company name in the subject heading of the message. Inquiries should make specific reference to the sections and page numbers from this RFQ, where applicable.

**4. RFQ Terms and Conditions**

It is consented that by submitting a proposal, the Supplier is in agreement with the following RFQ terms and conditions. If there is an objection to these terms, the Supplier must note those objections in their response.

**4.1 Contracting Period**

A contract will be contingent upon;

- SG being awarded the Texas Lottery contract referenced in this RFQ
- Selected suppliers passing SG’s internal Compliance with Law and Background Screening

- SG and Supplier mutually agreeing upon Terms and Conditions

The contracted products are anticipated to begin in *July 1, 2012*. All awarded subcontracting opportunities are for one (1) year with options to renew.

#### **4.2 Invoicing and Payment Processing**

Invoice charges must match agreed-upon contract pricing. All invoices should show all applicable charges. Invoices should have capability to be submitted in both printed form and Electronic Data Interchange (EDI) or Internet standard formats. Invoices shall be paid by SG thirty (30) days after receipt. In the event of a legitimate dispute with regard to errors on an invoice, SG has the right to withhold payment of any disputed amount on such invoice while the parties attempt to resolve the disputed amount in accordance with the dispute resolution procedures specified in the contract.

#### **4.3 Insurance**

SG is either self-insured or maintains a coverage policy; therefore, all bids must be exclusive of insurance costs. Supplier shall at all times during the term of this agreement have and maintain in full force and effect the following insurance coverage with reliable insurance companies acceptable to SG:

- a) Bodily Injury and Property Damage (\$1 million comprehensive)
- b) Commercial Auto Liability with Bodily Injury and Property Damage, including Owned, Non-Owned and Hired Auto Liability (\$500,000)
- c) Statutory Workers' Compensation as required by applicable law and Employer's Liability (or state approved self-insurance).

Supplier shall also provide SG additional insured status and waiver of subrogation in SG's favor

#### **4.4 Duration and Availability of Proposed Prices**

The prices, terms and conditions specified in the Supplier's proposal must be valid for a period of one hundred twenty (120) days from the due date of the proposals. Once a contract is signed, the prices must remain valid for the term of that contract and any subsequent extension(s); unless SG agrees in writing that the pricing should be modified.

#### **4.5 Statement of Non-Commitment**

This RFQ is not an offer to enter into an agreement with any Supplier; it is a request to receive proposals from Suppliers interested in providing SG products and products specified within. SG reserves the right to reject all proposals, in whole or in part, and/or enter into discussions with any party to provide such products. SG will not have any obligation to the Supplier unless and until it has entered into a written agreement with the Supplier on terms and conditions satisfactory to SG. SG entering into negotiations with the Supplier with respect to any proposal or otherwise shall not be deemed to be an acceptance of such proposal or an agreement with the Supplier. Supplier-specific information (such as names, contact information, or pricing data) is used solely for Supplier selection on behalf of SG.

#### **4.6 Supplier Demonstration of Proposed Capabilities, Products and/or Products**

At the discretion of SG, the Supplier must be prepared to provide any evidence of experience, performance, ability, and/or financial surety that SG deems necessary to fully establish the performance capabilities represented in their proposal. Any required confirmation must be provided in writing to SG without cost to SG.

#### **4.7 Ownership of Proposals**

Proposals and any other materials submitted by a Bidder in response to this RFQ will become the exclusive property of SG upon receipt and will not be returned.

#### **4.8 Execution of Contract**

Once the evaluation of the proposals and the Supplier selection are complete, the selected proposal(s), if any, and this RFQ will serve as the basis for a contract that will be negotiated and executed between SG and the selected Supplier(s). This RFQ and the proposal will likely be attached to the contract as exhibits.

#### **4.9 Oral Agreements or Arrangements**

Any alleged oral agreements or arrangements made by the Supplier with any SG agent or employee will be disregarded in any proposal evaluation or associated award.

#### **4.10 Independent Price Determinants**

The Supplier shall warrant, represent, and certify that the following requirements have been met in connection with their proposal for this RFQ:

The prices proposed have been arrived at independently, without consultation, communication, or agreement for the purpose of restricting competition as to any matter relating to such process with any other organization or with any competitor; unless otherwise required by law, the pricing proposed has not been knowingly disclosed by the Supplier on a prior basis directly or indirectly to any other organization or to any competitor; and no attempt has been made, or will be made, by the proposed to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

#### **4.11 Payments Against a Contract Award**

Under no circumstances shall the successful Supplier begin to perform under a contract prior to the effective date of such contract. SG shall assume no liability for payments under the terms of the contract until the successful Supplier is notified that the contract has been accepted by SG. In no case shall a successful Supplier bill SG prices in excess of the price indicated in the final contract agreed to and accepted by SG. Any authorized or agreed additional charges can only be approved for payment by means of an amendment to the contract.

#### **4.12 No SG Liability for Proposal Costs**

SG is not liable for any costs incurred by Bidders as a result of responding to this RFQ.

#### **4.13 Proposal Disclosure Prohibition**

Disclosure of Proposal contents by a Bidder to any third party prior to Subcontract Award in this procurement may result in disqualification.

#### **4.14 Conflict of Interest**

A Bidder shall not give money or any other thing of value to members of SG's evaluation committee or to any employee of SG.

#### **4.15 Approval of Subcontract**

The Texas Department of Revenue, Lottery Division, retains the right to approve each Subcontractor. Such approval shall not be unreasonably withheld.

#### **4.16 Probity Investigations of Subcontractor**

The Texas Department of Revenue, Lottery Division, shall have the right to conduct probity investigations of any Subcontractor prior to and during the term of its Subcontract with SG.

#### **4.17 SG' Right to Audit and Access to Records, Record Keeping and Record Transfer**

The Supplier shall prepare, maintain and preserve all records with respect to the administration of this program. During the term of the contract, SG shall have access during normal business hours to all such records, in whatever form they exist or are stored. The Supplier shall afford the officers, attorneys, accountants, auditors, and other authorized representatives of SG free and full access to the records to be maintained by the Supplier pertinent to the RFQ.

At the option of SG, periodic audits may, at reasonable times, be made of the successful Suppliers' and all of their sub-contractors' books and records insofar as they pertain to the contract. Such audits shall be made at SG's expense by SG, or independent public accountants designated by SG. Said books and records shall be made available by the Supplier to the Auditors of SG. In the case that any discrepancy or breach of contract is discovered, all auditing expenses will be charged to the Supplier in addition to any legal settlements.

#### **4.18 Confidentiality and Care of Data**

The Supplier agrees to protect the confidentiality of any files, data or other materials pertaining to this RFQ and any resulting contract and to restrict their use solely for the purpose of completing this RFQ or fulfilling a resulting contract. The Supplier shall

take all steps necessary to safeguard data, files, reports or other information from loss, destruction or erasure. Any costs or expenses of replacing or damages resulting from the loss of such data shall be borne by the Supplier when such loss or damage occurred through its negligence.

#### **4.19 Compliance with Law and Background Screening**

Supplier specifically acknowledges that SG is subject to the gaming and licensing requirements of various jurisdictions and is obliged to take reasonable efforts to determine the suitability of its business associates. Supplier agrees to cooperate fully with SG in providing it with any information, of whatever nature, that SG deems necessary or appropriate in assuring itself that Supplier possesses the good character, honesty, integrity, and reputation applicable to those engaged in the gaming industry and Supplier specifically represents that there is nothing in Supplier's background, history, or reputation that would be deemed unsuitable under the standards applicable to the gaming industry. If, during the term of any Agreement, SG is notified by any regulatory agency that the conduct of business with Supplier will jeopardize SG, or its affiliates', license or ability to be licensed or if SG concludes that Supplier fails to meet the above criteria, this Agreement shall terminate upon written notice by SG.

In addition, by responding to this RFQ Supplier represents and warrants, and, if selected shall be expected to provide representations and warranties in any contract entered into between the parties concerning, compliance with all laws, including but not limited to, applicable anti-corruption, competition, licensing, and registration laws, including the Foreign Corrupt Practices Act (FCPA); and with any applicable laws, regulations, and administrative requirements promulgated under the OECD Convention on Combating Bribery of Foreign Public Officials; and other similar representations and warranties.

Individual Supplier employees or subcontractors assigned to perform products at or on behalf of Supplier and who are to be granted (a) unescorted physical access rights to any Supplier's facility (as determined by SG), or (b) any local or remote network access rights, must submit to and pass SG standard state and federal felony and misdemeanor records screening. Screening shall include social security verification and corresponding information attached to the social security number. County and or municipal checks shall be conducted as required or to further obtain charge or case specifics and determine eligibility for work. Certain Products performed by Supplier may also require credit history screening and or national records screening via fingerprint card applications sent to the FBI/DOJ for processing as dictated by SG' customer contract requirements. Follow up searches may be conducted annually thereafter.

## Appendix A: Qualitative Questions

All respondents must answer questions 1-7 in the table below. Please enter your responses using as much space as necessary.

No.	Question	Response
1	Provide the official contact person (including name, phone, fax, e-mail address) with whom SG shall communicate regarding this RFQ.	
2	Provide your Texas Payee ID or Federal ID Number	
3	Confirm your company status as either a; certified HUB in the state of Texas, or a Minority or Woman Trade Organization. <u>Attach valid certificates and/or supporting documentation.</u>	
4	Indicate whether your firm has been or is the subject of a bankruptcy or insolvency proceeding or subject of assignment for benefit of creditors.	
5	Please provide a brief background on your company, including information on how long your company has been in business, ownership structure, location of your offices, and number of employees.	
6	Please confirm you have the State licenses, permits, certificates and authorizations needed to provide these products.	
7	<p>Supply a minimum of two (2) references that will attest to your ability (in the last three years) to provide products similar in scope to those outlined. For each reference, provide the following information:</p> <ul style="list-style-type: none"> <li>• The client organization's name, mailing address, contact name, telephone number and email address</li> <li>• The approximate period during which the products were provided</li> <li>• A summary of the type, quantity, and scope of services</li> </ul>	



**Appendix B: Proposal Response**

**DISTRIBUTOR AND VALUE ADDED RESELLER PRICING STRUCTURE**

<b>ITEM</b>	<b>DESCRIPTION OF SERVICES REQUIRED</b>	<b>DESCRIBE PROPOSED PRICING STRUCTURE</b>	<b>ANNUAL FEE (\$)</b>
1	Order management and tracking		
2	Problem resolution		
3	Usage and receipts tracking and reporting		
4	Invoice management		
5	Product storage (optional)		
	<b>TOTAL PRICE</b>		

Company Name	Date
Contact Name	Signature



# Scientific Games International, Inc. Request for Qualifications (RFQ)

## Coated Paperboard

01/05/12

### 1. Introduction

#### 1.1 Background

Scientific Games Corporation (Scientific Games or SG) is a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers. The Company's products and products include instant lottery games, lottery gaming systems, terminals and products, and Internet applications, as well as server-based interactive gaming machines and associated gaming control systems. SG is divided into three business segments: Printed Products Group, Lottery Systems Group and Diversified Gaming Group. Printed Products Group is a provider of instant lottery tickets in the world. The Company's Lottery Systems Group is a provider of customized computer software, software support, equipment and data communication products to lotteries. Its Diversified Gaming Group provides products and systems to private and public operators in the wide area gaming industry.

#### 1.2 Intent & Objective of the RFQ

The intent & objective of this RFQ is to identify capable, qualified, experienced and cost competitive suppliers including certified Historically Underutilized Businesses (HUB's) in the state of Texas who can provide *Coated Paperboard* contingent upon SG being awarded a contract under Texas Lottery RFP 362-12-0001. SG is requesting proposals for these products and if awarded the Texas Lottery Commission (TLC) contract, SG will then proceed with finalizing an award of this RFQ.

SG may award one or more Subcontracts as a result of this procurement. Following notification of award and subsequent successful negotiation if required, SG intends to enter into a Subcontract with the Successful Bidder(s) and the Successful Bidder(s) will then be a Subcontractor to SG.

### 2. Scope

#### 2.1 Scope

The information below is intended to give the Supplier an idea of the overall scope required as part of this RFQ. SG will further refine its needs prior to award and communicate those to selected Supplier(s).

**2.2 Service Requirements:** Selected suppliers are expected to provide the following distributor and value-added services to support SG with the purchase and supply of *Coated Paperboard*. Services can be provided as a cost plus, fixed fee or on another basis.

- Order management and tracking
- Problem resolution
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- Invoice management
- Product storage (optional)

### 3. Instructions to Suppliers

#### 3.1 RFQ Responses & Submission of Proposals

**A. Suppliers should submit:**

- An email to SG Contact indicated in Section 3.3 by the RFQ deadline, with the electronic proposal as an attachment

**B. Proposals must include the following:**

- Completed Appendix A – Qualitative Questions
- Completed Appendix B – Proposal Response
- Attach Supporting Documentation for the above

**3.2 RFQ Process and Timing**

The timeline for this RFQ process is aggressive; proposals are due by COB on the date listed below. SG in its sole discretion may enter into contract negotiations/discussions with the Supplier(s) who submit proposals found to best meet the needs of this initiative.

Potential Suppliers are advised to review all sections of this RFQ carefully and to follow instructions completely, failure to make a complete submission as described elsewhere herein may result in rejection of the proposal and disqualification of the Supplier from further participation.

Proposals that depart from or materially alter the terms, requirements, or scope of work defined by this RFQ may be rejected for being non-responsive.

**Table 3.2 Key RFQ Dates:**

Activity	Date
RFQ sent out to suppliers	January 5, 2012
Supplier Response Deadline	January 17, 2012 – 5pm CST
Supplier Selection – Notice of Intent to Award <ul style="list-style-type: none"> <li>• Contract contingent upon TLC RFP Award, SG Compliance Review and mutual acceptance of Terms &amp; Conditions</li> </ul>	January 19, 2012

**3.3 Communications, Inquiries and Questions**

Your interest in working with SG is welcomed; however, SG will only answer submitted questions if SG solely determines the question is critical to the success of the RFQ process. Responses will be circulated to all bidders. During the period from your company’s receipt of this RFQ until a contract is awarded, ANY and ALL communication, including questions, concerning this RFQ should ONLY be directed to the RFQ Administrator specified below.

Contact: Lissa Owens  
Scientific Games  
Procurement Department

Email: lissa.owens@scientificgames.com

Phone: (770) 664-3718

When submitting an e-mail, please include the RFQ NAME and your company name in the subject heading of the message. Inquiries should make specific reference to the sections and page numbers from this RFQ, where applicable.

**4. RFQ Terms and Conditions**

It is consented that by submitting a proposal, the Supplier is in agreement with the following RFQ terms and conditions. If there is an objection to these terms, the Supplier must note those objections in their response.

**4.1 Contracting Period**

A contract will be contingent upon;

- SG being awarded the Texas Lottery contract referenced in this RFQ
- Selected suppliers passing SG’s internal Compliance with Law and Background Screening

- SG and Supplier mutually agreeing upon Terms and Conditions

The contracted products are anticipated to begin in *July 1, 2012*. All awarded subcontracting opportunities are for one (1) year with options to renew.

#### **4.2 Invoicing and Payment Processing**

Invoice charges must match agreed-upon contract pricing. All invoices should show all applicable charges. Invoices should have capability to be submitted in both printed form and Electronic Data Interchange (EDI) or Internet standard formats. Invoices shall be paid by SG thirty (30) days after receipt. In the event of a legitimate dispute with regard to errors on an invoice, SG has the right to withhold payment of any disputed amount on such invoice while the parties attempt to resolve the disputed amount in accordance with the dispute resolution procedures specified in the contract.

#### **4.3 Insurance**

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- a) Bodily Injury and Property Damage (\$1 million comprehensive)
- b) Commercial Auto Liability with Bodily Injury and Property Damage, including Owned, Non-Owned and Hired Auto Liability (\$500,000)
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Supplier shall also provide SG additional insured status and waiver of subrogation in SG's favor

#### **4.4 Duration and Availability of Proposed Prices**

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Once the evaluation of the proposals and the Supplier selection are complete, the selected proposal(s), if any, and this RFQ will serve as the basis for a contract that will be negotiated and executed between SG and the selected Supplier(s). This RFQ and the proposal will likely be attached to the contract as exhibits.

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At the option of SG, periodic audits may, at reasonable times, be made of the successful Suppliers' and all of their sub-contractors' books and records insofar as they pertain to the contract. Such audits shall be made at SG's expense by SG, or independent public accountants designated by SG. Said books and records shall be made available by the Supplier to the Auditors of SG. In the case that any discrepancy or breach of contract is discovered, all auditing expenses will be charged to the Supplier in addition to any legal settlements.

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take all steps necessary to safeguard data, files, reports or other information from loss, destruction or erasure. Any costs or expenses of replacing or damages resulting from the loss of such data shall be borne by the Supplier when such loss or damage occurred through its negligence.

#### **4.19 Compliance with Law and Background Screening**

Supplier specifically acknowledges that SG is subject to the gaming and licensing requirements of various jurisdictions and is obliged to take reasonable efforts to determine the suitability of its business associates. Supplier agrees to cooperate fully with SG in providing it with any information, of whatever nature, that SG deems necessary or appropriate in assuring itself that Supplier possesses the good character, honesty, integrity, and reputation applicable to those engaged in the gaming industry and Supplier specifically represents that there is nothing in Supplier's background, history, or reputation that would be deemed unsuitable under the standards applicable to the gaming industry. If, during the term of any Agreement, SG is notified by any regulatory agency that the conduct of business with Supplier will jeopardize SG, or its affiliates', license or ability to be licensed or if SG concludes that Supplier fails to meet the above criteria, this Agreement shall terminate upon written notice by SG.

In addition, by responding to this RFQ Supplier represents and warrants, and, if selected shall be expected to provide representations and warranties in any contract entered into between the parties concerning, compliance with all laws, including but not limited to, applicable anti-corruption, competition, licensing, and registration laws, including the Foreign Corrupt Practices Act (FCPA); and with any applicable laws, regulations, and administrative requirements promulgated under the OECD Convention on Combating Bribery of Foreign Public Officials; and other similar representations and warranties.

Individual Supplier employees or subcontractors assigned to perform products at or on behalf of Supplier and who are to be granted (a) unescorted physical access rights to any Supplier's facility (as determined by SG), or (b) any local or remote network access rights, must submit to and pass SG standard state and federal felony and misdemeanor records screening. Screening shall include social security verification and corresponding information attached to the social security number. County and or municipal checks shall be conducted as required or to further obtain charge or case specifics and determine eligibility for work. Certain Products performed by Supplier may also require credit history screening and or national records screening via fingerprint card applications sent to the FBI/DOJ for processing as dictated by SG' customer contract requirements. Follow up searches may be conducted annually thereafter.

## Appendix A: Qualitative Questions

All respondents must answer questions 1-7 in the table below. Please enter your responses using as much space as necessary.

No.	Question	Response
1	Provide the official contact person (including name, phone, fax, e-mail address) with whom SG shall communicate regarding this RFQ.	
2	Provide your Texas Payee ID or Federal ID Number	
3	Confirm your company status as either a; certified HUB in the state of Texas, or a Minority or Woman Trade Organization. <u>Attach valid certificates and/or supporting documentation.</u>	
4	Indicate whether your firm has been or is the subject of a bankruptcy or insolvency proceeding or subject of assignment for benefit of creditors.	
5	Please provide a brief background on your company, including information on how long your company has been in business, ownership structure, location of your offices, and number of employees.	
6	Please confirm you have the State licenses, permits, certificates and authorizations needed to provide these products.	
7	<p>Supply a minimum of two (2) references that will attest to your ability (in the last three years) to provide products similar in scope to those outlined. For each reference, provide the following information:</p> <ul style="list-style-type: none"> <li>• The client organization's name, mailing address, contact name, telephone number and email address</li> <li>• The approximate period during which the products were provided</li> <li>• A summary of the type, quantity, and scope of services</li> </ul>	

**Appendix B: Proposal Response**

**DISTRIBUTOR AND VALUE ADDED RESELLER PRICING STRUCTURE**

<b>ITEM</b>	<b>DESCRIPTION OF SERVICES REQUIRED</b>	<b>DESCRIBE PROPOSED PRICING STRUCTURE</b>	<b>ANNUAL FEE (\$)</b>
<b>1</b>	Order management and tracking		
<b>2</b>	Problem resolution		
<b>3</b>	Usage and receipts tracking and reporting		
<b>4</b>	Invoice management		
<b>5</b>	Product storage (optional)		
	<b>TOTAL PRICE</b>		

Company Name	Date
Contact Name	Signature





# TEXAS LOTTERY COMMISSION

Web Hosting Services



# HSP Good Faith Effort - Method B (Attachment B)

(Rev. 10/11)

Enter your company's name here: Scientific Games

Requisition #: 362-12-0001

**IMPORTANT:** If you responded "No" to SECTION 2, Items c and d of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method B (Attachment B)" for **each** of the subcontracting opportunities you listed in SECTION 2, Item b of the completed HSP form. You may photo-copy this page or download the form at <http://www.window.state.tx.us/procurement/prog/hub/hub-forms/HUBSubcontractingPlanAttachment-B.doc>

## SECTION B-1 SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing this attachment.

Item #: 8 Description: Web Hosting Services

## SECTION B-2 MENTOR PROTÉGÉ PROGRAM

If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in SECTION B-1, constitutes a good faith effort to subcontract with a Texas certified HUB towards that specific portion of work.

Check the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé.

- Yes (If Yes, to continue to SECTION B-4.)
- No / Not Applicable (If No or Not Applicable, continue to SECTION B-3.)

## SECTION B-3 NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

When completing this section you **MUST** comply with items a, b, c and d, thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and minority or women trade organizations or development centers about the subcontracting opportunity you listed in SECTION B-1. Your notice should include the scope of work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person.

When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at <http://www.window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan/>

Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and minority or women trade organizations or development centers.

- Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HUBs at least seven (7) working days to respond to the notice prior to your submitting your bid response to the contracting agency. When searching for Texas certified HUBs, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) and Historically Underutilized Business (HUB) Search directory located at <http://www.window.state.tx.us/procurement/cmb/cmbhub.html>. HUB Status code "A" signifies that the company is a Texas certified HUB.
- List the three (3) Texas certified HUBs you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company's Vendor ID (VID) number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

Company Name	VID #	Date Notice Sent (mm/dd/yyyy)	Did the HUB Respond?
M&A Technology	1752132118600	12 / 09 / 11	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No
Webxess, Inc.	1742788625800	12 / 09 / 11	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No
Lantell Systems, LLC DBA Lantel Systems	1383783123200	12 / 09 / 11	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No

- Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to minority or women trade organizations or development centers to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to minority or women trade organizations or development centers at least seven (7) working days prior to submitting your bid response to the contracting agency.

A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program's webpage at <http://www.window.state.tx.us/procurement/prog/hub/mwb-links-1/>

- Enter the name of the minority or women trade organizations or development centers you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the date when you sent notice to it and indicate if it accepted or rejected your notice.

Minority/Women Trade Organizations or Development Centers	Date Notice Sent (mm/dd/yyyy)	Was the Notice Accepted?
Women's Business Enterprise Alliance	12 / 09 / 11	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No
American Indian Chamber of Commerce-TX	12 / 09 / 11	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No

# HSP Good Faith Effort - Method B (Attachment B) *Cont.*

Enter your company's name here: <u>Scientific Games</u>	Requisition #: <u>362-12-0001</u>
---------------------------------------------------------	-----------------------------------

**SECTION B-4 SUBCONTRACTOR SELECTION**

a. List the subcontractor(s) you selected to perform the subcontracting opportunity you listed in SECTION B-1. Also identify whether they are a Texas Certified HUB and their VID number, the approximate dollar value of the work to be subcontracted, the expected percentage of work to be subcontracted, and indicate whether the company is a Texas certified HUB.

Company Name	Texas Certified HUB	VID # <small>(Required if Texas Certified HUB)</small>	Approximate Dollar Amount	Expected Percentage of Contract
M&A Technology - VID#1752132118600	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No	1752132118	\$6500	.13%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

b. If any of the subcontractors you have selected to perform the subcontracting opportunity you listed in SECTION B-1 is **not** a Texas certified HUB, provide written justification for your selection process (attach additional page if necessary):

**REMINDER:** As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to **all** the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity it (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.

# Results for HUBs only Search

Tx. Gov't Code  
§552.137

CMBL/HUB Vendor Detail	
Vendor ID / Number:	1752132118600 / 52457
HUB Status:	A (HUB on CMBL)
HUB Expire Date:	18-DEC-11
Vendor Name:	M&A TECHNOLOGY, INC.
Vendor Address:	2045 CHENAULT DRIVE CARROLLTON, TX 75006 USA
County:	DALLAS
Contact:	Donna Shepard SR VP
Phone / Fax:	972-490-5803 / 972-490-0616
Email Address:	[REDACTED]
Ethnicity / Gender:	BL / M
Business Description:	Computer systems, Companion Series of Netbooks, servers, Service, Data Center Hosting, Application specific hardware development and design, total IT solution provider
Business Category:	COMMODITIES MANUFACTURER (08)
Small Business:	Y

Comptroller's Tax Status This Vendor

Comptroller Lookup Any Vendor

Vendor Performance	Score	# of POs
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:		
Exceptional Performance Reports:		

1 vendor found where vendor name begins with 'm&a'.

Tx. Gov't Code

§552.137

# Results for HUBs only Search

CMBL/HUB Vendor Detail	
Vendor ID / Number:	1742788625800 / 02637
HUB Status:	A (HUB on CMBL)
HUB Expire Date:	26-JUL-15
Vendor Name:	WEBXESS, INC.
Vendor Address:	8900 BUSINESS PARK DR STE 100 AUSTIN, TX 78759-7404 USA
County:	TRAVIS
Contact:	Pres./Ray Chan
Phone / Fax:	512-241-1777 / 512-241-1773
Email Address:	██████████
Ethnicity / Gender:	AS / M
Business Description:	WEB HOSTING, DESIGN AND DEVELOPMENT, E-COMMERCE, INTEGRATION, PROGRAMING. SEARCH ENGINE OPTIMIZATION AND MARKETING, WEB MARKETING AND INTEGRATIVE MARK.
Business Category:	OTHER SERVICES INCLUDING LEGAL SERVICES (06)
Small Business:	Y

Comptroller's Tax Status This Vendor

Comptroller Lookup Any Vendor

Vendor Performance	Score	# of POs
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:		
Exceptional Performance Reports:		

1 vendor found where vendor name begins with 'webxess'.

# Results for HUBs only Search

Tx. Gov't Code

§552.137

CMBL/HUB Vendor Detail	
Vendor ID / Number:	1383783123200 / 468492
HUB Status:	A (HUB on CMBL)
HUB Expire Date:	30-MAY-12
Vendor Name:	LANTELL SYSTEMS, LLC DBA LANTEL SYSTEMS
Vendor Address:	12 GREENWAY PLZ SUITE 1100-149 HOUSTON, TX 77046-1203 USA
County:	HARRIS
Contact:	Ben Akatsa
Phone / Fax:	877-445-2683 /
Email Address:	<span style="background-color: black; color: black;">[REDACTED]</span>
Ethnicity / Gender:	BL / M
Business Description:	Information Technology services, Managed Services, Application and Server Hosting
Business Category:	OTHER SERVICES INCLUDING LEGAL SERVICES (06)
Small Business:	Y

Comptroller's Tax Status This Vendor

Comptroller Lookup Any Vendor

Vendor Performance	Score	# of POs
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:		
Exceptional Performance Reports:		

*1 vendor found where vendor name begins with 'lantell systems'.*

**Owens, Lissa**

---

**From:** System Administrator [postmaster@cont.scientificgames.com]  
**ent:** Friday, December 09, 2011 4:07 PM  
**o:** Owens, Lissa  
**Subject:** Relay report: 2.0.2 (Message relayed)  
**Attachments:** delivery-status.txt; message-header.txt; Scientific Games Web Hosting Services Bid Opportunity - 12/9/11

Your message

**From:** Owens, Lissa <[Lissa.Owens@scientificgames.com](mailto:Lissa.Owens@scientificgames.com)>

**To:** Owens, Lissa <[Lissa.Owens@scientificgames.com](mailto:Lissa.Owens@scientificgames.com)>

**Subj:** Scientific Games Web Hosting Services Bid Opportunity - 12/9/11

**Sent:** 2011-12-09 16:06

was relayed to the following recipient(s):



**Tx. Gov't Code**  
**\$552.137**

Unfortunately, the remote mail system does not support confirmation of actual delivery. Unless the final delivery fails, this will be the only delivery status notification sent.



## Owens, Lissa

---

**From:** System Administrator [postmaster@cont.scientificgames.com]  
**Sent:** Friday, December 09, 2011 4:07 PM  
**To:** Owens, Lissa  
**Subject:** Relay report: 2.0.2 (Message relayed)  
**Attachments:** delivery-status.txt; message-header.txt; Scientific Games Web Hosting Services Bid Opportunity - 12/9/11

Your message

From: Owens, Lissa <[Lissa.Owens@scientificgames.com](mailto:Lissa.Owens@scientificgames.com)>

To: Owens, Lissa <[Lissa.Owens@scientificgames.com](mailto:Lissa.Owens@scientificgames.com)>

Subj: Scientific Games Web Hosting Services Bid Opportunity - 12/9/11

Sent: 2011-12-09 16:06

was relayed to the following recipient(s):



Tx. Gov't Code

\$552.137

Unfortunately, the remote mail system does not support confirmation of actual delivery. Unless the final delivery fails, this will be the only delivery status notification sent.



**Owens, Lissa**

---

**From:** System Administrator  
**To:** Maggie Trevino  
**Sent:** Monday, December 12, 2011 7:13 AM  
**Subject:** Delivered: Scientific Games Web Hosting Services Bid Opportunity - 12/9/11

Your message

To: Owens, Lissa  
Subject: Scientific Games Web Hosting Services Bid Opportunity - 12/9/11  
Sent: 12/9/2011 4:07 PM

was delivered to the following recipient(s):

Maggie Trevino on 12/9/2011 4:07 PM

Owens, Lissa

---

**From:** [REDACTED]  
**Sent:** Monday, January 09, 2012 8:39 AM  
**To:** Owens, Lissa  
**Cc:** Donna Shepard  
**Subject:** RE: IMPORTANT: Data Center Evaluation Form for TX Lottery - Web Hosting Services RFQ 12/9/11

Hi Lisa,  
I have answered the questionnaire with the exception of a couple of the power questions.  
I am getting with Russ this morning to finish them and I will forward on to you.  
Thank you  
Kathie

---

**From:** Owens, Lissa [<mailto:Lissa.Owens@scientificgames.com>]  
**Sent:** Monday, January 09, 2012 7:23 AM  
**To:** Kathie Conway  
**Cc:** Donna Shepard  
**Subject:** FW: IMPORTANT: Data Center Evaluation Form for TX Lottery - Web Hosting Services RFQ 12/9/11  
**Importance:** High

Kathie,

I just left you and Donna Shepard a voice message concerning the attached form. In order to complete our evaluation of your bid response, we request that you complete this form and return to us by 5pm CST today.

Please let me know if you have any questions or concerns.

Thank you.

*Lissa J. Owens*  
Sr. Buyer & Diversity Program Manager  
Scientific Games  
(770) 664-3718 office  
(678) 230-4346 cell  
(770) 664-3882 fax



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**From:** Owens, Lissa  
**Sent:** Tuesday, January 03, 2012 2:03 PM  
**To:** [REDACTED]  
**Subject:** IMPORTANT: Data Center Evaluation Form for TX Lottery - Web Hosting Services RFQ 12/9/11  
**Importance:** High

Kathie,

As I stated in my voice message earlier, we currently evaluating your bid response and need additional information. Please complete the attached questionnaire and return to my attention by **12pm CST, Thursday, January 5<sup>th</sup>, 2012**. Contact me if you have any questions.

Thank you.

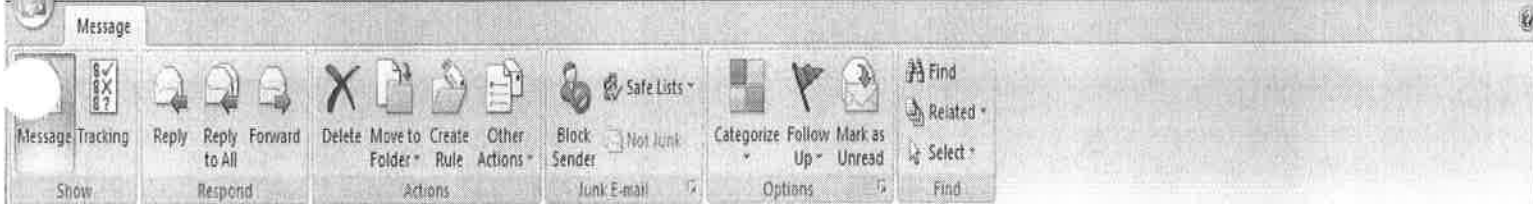
*Lissa J. Owens*  
Sr. Buyer & Diversity Program Manager  
Scientific Games  
(770) 664-3718 office  
(678) 230-4346 cell  
(770) 664-3882 fax



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From: Owens, Lissa

Sent: Fri 12/9/2011 4:07 PM

To: Owens, Lissa

Cc:

Bcc:

Subject: Scientific Games Web Hosting Services Bid Opportunity - 12/9/11

Tx. Gov't Code

\$552.137

Message TX Lottery - Web Hosting Services rev. 12 9 11 RFQ.docx (113 KB)

Scientific Games, a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers is sourcing qualified, certified HUB's in the state of Texas who can provide the following products and/or services pending a contract award of the Texas Lottery RFP 362-12-0001:

- Web Hosting Services

Please see the attached RFQ (Request for Quotation) and, if interested, provide your response by the deadline of December 21<sup>st</sup>, 2011 – 5:pm CST (Central Standard Time).

Contact me should you have any questions concerning this solicitation.

Thank you.

*/s/ J. Owens*

Sr. Buyer & Diversity Program Manager

Scientific Games

(770) 664-3718 office

(678) 230-4346 cell

(770) 664-3882 fax



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Message

Reply Reply Forward Delete Move to Create Other Block Safe Lists Categorize Follow Mark as Related Select Find  
to All Respond Actions Junk E-mail Options Find

You forwarded this message on 1/9/2012 8:22 AM  
This message was sent with High importance.

From: Owens, Lissa **Tx. Gov't Code** Sent: Tue 1/3/2012 2:03 PM  
To: [REDACTED] **\$552.137**  
Cc:  
Subject: IMPORTANT: Data Center Evaluation Form for TX Lottery - Web Hosting Services RFQ 12/9/11

Message | Data Center Evaluation Form - BLANK - revised.xlsx (27 KB)

Kathie,

As I stated in my voice message earlier, we currently evaluating your bid response and need additional information. Please complete the attached questionnaire and return to my attention by 12pm CST, Thursday, January 5<sup>th</sup>, 2012. Contact me if you have any questions.

Thank you.

*Lissa J. Owens*  
Sr. Buyer & Diversity Program Manager  
Scientific Games  
(770) 664-3718 office  
(678) 230-4346 cell  
(770) 664-3882 fax



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Message

Reply  
 Reply to All  
 Forward  
 Delete  
 Move to Folder  
 Create Rule  
 Other Actions  
 Block Sender  
 Not Junk  
 Safe Lists  
 Categorize  
 Follow Up  
 Mark as Unread  
 Find  
 Related  
 Select  
 Junk E-mail  
 Options  
 Find

This message was sent with High importance.

From: Owens, Lissa Sent: Mon 1/9/2012 8:23 AM  
 To: [REDACTED] **Tx. Gov't Code**  
 Cc: [REDACTED] **\$552.137**  
 Subject: FW: IMPORTANT: Data Center Evaluation Form for TX Lottery - Web Hosting Services RFQ 12/9/11

Message Data Center Evaluation Form - BLANK - revised.xlsx (27 KB)

Kathie,

I just left you and Donna Shepard a voice message concerning the attached form. In order to complete our evaluation of your bid response, we request that you complete this form and return to us by 5pm CST today.

Please let me know if you have any questions or concerns.

Thank you.

*Lissa J. Owens*  
 Sr. Buyer & Diversity Program Manager  
 Scientific Games  
 (770) 664-3718 office  
 (678) 230-4346 cell  
 (770) 664-3882 fax



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From: Owens, Lissa  
 Sent: Tuesday, January 03, 2012 2:03 PM  
 To: kconway@macomp.com  
 Subject: IMPORTANT: Data Center Evaluation Form for TX Lottery - Web Hosting Services RFQ 12/9/11  
 Importance: High

Kathie,

As I stated in my voice message earlier, we currently evaluating your bid response and need additional information. Please complete the attached questionnaire and return to my attention by 12pm CST, Thursday, January 5<sup>th</sup>, 2012. Contact me if you have any questions.



Message

Reply Reply Forward Delete Move to Folder Create Rule Other Actions Block Sender Hot Junk Safe Lists Categorize Follow Up Mark as Unread Find Related Select Find

From: [REDACTED] **Tx. Gov't Code** Sent: Wed 1/18/2012 3:51 PM  
 To: Kathie Conway; Owens, Lissa **\$552.137**  
 Cc:  
 Subject: RE: IMPORTANT: Data Center Evaluation Form for TX Lottery - Web Hosting Services RFQ 12/9/11

Message Copy of Data Center Evaluation Form - BLANK - revised.xlsx

This is the questionnaire that I have completed. Please let me know if you have any questions.

Thanks,

Russ

**From:** Kathie Conway  
**Sent:** Wednesday, January 18, 2012 11:10 AM  
**To:** Russ W. Vaughn  
**Subject:** FW: IMPORTANT: Data Center Evaluation Form for TX Lottery - Web Hosting Services RFQ 12/9/11

Sorry Russ,  
 Could you resend the questionnaire to Lisa.  
 I don't know if you have access to your email when you are in the field..  
 Kathie

**From:** Owens, Lissa [<mailto:Lissa.Owens@scientificgames.com>]  
**Sent:** Wednesday, January 18, 2012 10:46 AM  
**To:** Kathie Conway  
**Subject:** RE: IMPORTANT: Data Center Evaluation Form for TX Lottery - Web Hosting Services RFQ 12/9/11

Kathy,

I never received it. Can you please have him re-send?

Thank you.

*Lissa J. Owens*  
 Sr. Buyer & Diversity Program Manager  
 Scientific Games  
 (770) 664-3718 office  
 (678) 230-4346 cell  
 (770) 664-3882 fax





# Scientific Games International, Inc. Request for Qualifications (RFQ)

## Web Hosting Services

12/09/11

### 1. Introduction

#### 1.1 Background

Scientific Games Corporation (Scientific Games or SG) is a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers. The Company's products and products include instant lottery games, lottery gaming systems, terminals and products, and Internet applications, as well as server-based interactive gaming machines and associated gaming control systems. SG is divided into three business segments: Printed Products Group, Lottery Systems Group and Diversified Gaming Group. Printed Products Group is a provider of instant lottery tickets in the world. The Company's Lottery Systems Group is a provider of customized computer software, software support, equipment and data communication products to lotteries. Its Diversified Gaming Group provides products and systems to private and public operators in the wide area gaming industry.

#### 1.2 Intent & Objective of the RFQ

The intent & objective of this RFQ is to identify capable, qualified, experienced and cost competitive suppliers including certified Historically Underutilized Businesses (HUB's) in the state of Texas who can provide *Web Hosting Services* contingent upon SG being awarded a contract under Texas Lottery RFP 362-12-0001. SG is requesting proposals for these products and if awarded the Texas Lottery Commission (TLC) contract, SG will then proceed with finalizing an award of this RFQ.

SG may award one or more Subcontracts as a result of this procurement. Following notification of award and subsequent successful negotiation if required, SG intends to enter into a Subcontract with the Successful Bidder(s) and the Successful Bidder(s) will then be a Subcontractor to SG.

### 2. Scope

#### 2.1 Scope

The information below is intended to give the Supplier an idea of the overall scope required as part of this RFQ. The products outlined are **estimates only** and do not constitute volume guarantees or commitments. SG will further refine its needs prior to award and communicate those to selected Supplier(s).

#### 2.2 Services Scope

BASELINE REQUIREMENTS:	
Servers: Hosted	Quantity
Virtual Private Server with 2GBs RAM and 50GB Data Storage	2
Additional RAM (GBs)	4
Additional Data Storage (GBs)	150
Additional VCPU	1
8 IP Address Block (5 usable)	1



Off Site Backup (GBs)	300
Managed Firewall	1
<b>Connectivity / Co-location</b>	
1U space in shared cabinet with (1) 120VAC Power outlet per U	2
Ethernet Switched Port	1
10/100/1000Mbps Internet Port (primary port)	1
10/100/1000Mbps Internet Port (redundant port)	1
Managed DNS Service including up to 5 add's, updates, or removes per month	1

### 2.3 Additional Service Requirements

- Multiple Internet providers for redundancy
- Redundant networking equipment for high availability
- 24x7 monitoring
- UPS/filtered power with generator backup
- Documented disaster recovery procedures

## 3. Instructions to Suppliers

### 3.1 RFQ Responses & Submission of Proposals

#### A. Suppliers should submit:

- An email to SG Contact indicated in Section 3.3 by the RFQ deadline, with the electronic proposal as an attachment

#### B. Proposals must include the following:

- Completed Appendix A – Qualitative Questions
- Completed Appendix B – Proposal Response
- Attached Supporting Documentation for the above

### 3.2 RFQ Process and Timing

The timeline for this RFQ process is aggressive; proposals are due by COB on the date listed below. SG in its sole discretion may enter into contract negotiations/discussions with the Supplier(s) who submit proposals found to best meet the needs of this initiative.

Potential Suppliers are advised to review all sections of this RFQ carefully and to follow instructions completely, failure to make a complete submission as described elsewhere herein may result in rejection of the proposal and disqualification of the Supplier from further participation.

Proposals that depart from or materially alter the terms, requirements, or scope of work defined by this RFQ may be rejected for being non-responsive.

**Table 3.2 Key RFQ Dates:**

Activity	Date
RFQ sent out to suppliers	December 9, 2011
Supplier Response Deadline	December 21, 2011 – 5pm CST
Supplier Selection <ul style="list-style-type: none"> <li>• Contract contingent upon TLC RFP Award, SG Compliance Review and mutual acceptance of Terms &amp; Conditions</li> </ul>	December 27, 2011

### 3.3 Communications, Inquiries and Questions

Your interest in working with SG is welcomed; however, SG will only answer submitted questions if SG solely determines the question is critical to the success of the RFQ process. Responses will be circulated to all bidders. During the period from your company's receipt of this RFQ until a contract is awarded, ANY and ALL communication, including questions, concerning this RFQ should ONLY be directed to the RFQ Administrator specified below.

Contact: Lissa Owens  
Scientific Games  
Procurement Department  
Email: lissa.owens@scientificgames.com  
Phone: (770) 664-3718

When submitting an e-mail, please include the RFQ NAME and your company name in the subject heading of the message. Inquiries should make specific reference to the sections and page numbers from this RFQ, where applicable.

## 4. RFQ Terms and Conditions

It is consented that by submitting a proposal, the Supplier is in agreement with the following RFQ terms and conditions. If there is an objection to these terms, the Supplier must note those objections in the Supplier Feedback section of Appendix B – Proposal Response.

### 4.1 Contracting Period

A contract will be contingent upon;

- SG being awarded the Texas Lottery contract referenced in this RFQ
- Selected suppliers passing SG's internal Compliance with Law and Background Screening
- SG and Supplier mutually agreeing upon Terms and Conditions

The contracted products are anticipated to begin in *July 1, 2012*. All awarded subcontracting opportunities are for one (1) year with options to renew.

### 4.2 Invoicing and Payment Processing

Invoice charges must match agreed-upon contract pricing. All invoices should show all applicable charges. Invoices should have capability to be submitted in both printed form and Electronic Data Interchange (EDI) or Internet standard formats. Invoices shall be payable by SG thirty (30) days after receipt. In the event of a legitimate dispute with regard to errors on an invoice, SG has the right to withhold payment of any disputed amount on such invoice while the parties attempt to resolve the disputed amount in accordance with the dispute resolution procedures specified in the contract.

### 4.3 Insurance

SG is either self-insured or maintains a coverage policy; therefore, all bids must be exclusive of insurance costs. Supplier shall at all times during the term of this agreement have and maintain in full force and effect the following insurance coverage with reliable insurance companies acceptable to SG:

- a) Bodily Injury and Property Damage (\$1 million comprehensive)
- b) Commercial Auto Liability with Bodily Injury and Property Damage, including Owned, Non-Owned and Hired Auto Liability (\$500,000)
- c) Statutory Workers' Compensation as required by applicable law and Employer's Liability (or state approved self-insurance).

Supplier shall also provide SG additional insured status and waiver of subrogation in SG's favor

### 4.4 Duration and Availability of Proposed Prices

The prices, terms and conditions specified in the Supplier's proposal must be valid for a period of one hundred twenty (120) days from the due date of the proposals. Once a contract is signed, the prices must remain valid for the term of that contract and any subsequent extension(s); unless SG agrees in writing that the pricing should be modified.

#### **4.5 Statement of Non-Commitment**

This RFQ is not an offer to enter into an agreement with any Supplier; it is a request to receive proposals from Suppliers interested in providing SG products and products specified within. SG reserves the right to reject all proposals, in whole or in part, and/or enter into discussions with any party to provide such products. SG will not have any obligation to the Supplier unless and until it has entered into a written agreement with the Supplier on terms and conditions satisfactory to SG. SG entering into negotiations with the Supplier with respect to any proposal or otherwise shall not be deemed to be an acceptance of such proposal or an agreement with the Supplier. Supplier-specific information (such as names, contact information, or pricing data) is used solely for Supplier selection on behalf of SG.

#### **4.6 Supplier Demonstration of Proposed Capabilities, Products and/or Products**

At the discretion of SG, the Supplier must be prepared to provide any evidence of experience, performance, ability, and/or financial surety that SG deems necessary to fully establish the performance capabilities represented in their proposal. Any required confirmation must be provided in writing to SG without cost to SG.

#### **4.7 Ownership of Proposals**

Proposals and any other materials submitted by a Bidder in response to this RFQ will become the exclusive property of SG upon receipt and will not be returned.

#### **4.8 Execution of Contract**

Once the evaluation of the proposals and the Supplier selection are complete, the selected proposal(s), if any, and this RFQ will serve as the basis for a contract that will be negotiated and executed between SG and the selected Supplier(s). This RFQ and the proposal will likely be attached to the contract as exhibits.

#### **4.9 Oral Agreements or Arrangements**

Any alleged oral agreements or arrangements made by the Supplier with any SG agent or employee will be disregarded in any proposal evaluation or associated award.

#### **4.10 Independent Price Determinants**

The Supplier shall warrant, represent, and certify that the following requirements have been met in connection with their proposal for this RFQ:

The prices proposed have been arrived at independently, without consultation, communication, or agreement for the purpose of restricting competition as to any matter relating to such process with any other organization or with any competitor; unless otherwise required by law, the pricing proposed has not been knowingly disclosed by the Supplier on a prior basis directly or indirectly to any other organization or to any competitor; and no attempt has been made, or will be made, by the proposed to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

#### **4.11 Payments Against a Contract Award**

Under no circumstances shall the successful Supplier begin to perform under a contract prior to the effective date of such contract. SG shall assume no liability for payments under the terms of the contract until the successful Supplier is notified that the contract has been accepted by SG. In no case shall a successful Supplier bill SG prices in excess of the price indicated in the final contract agreed to and accepted by SG. Any authorized or agreed additional charges can only be approved for payment by means of an amendment to the contract.

#### **4.12 No SG Liability for Proposal Costs**

SG is not liable for any costs incurred by Bidders as a result of responding to this RFQ.

#### **4.13 Proposal Disclosure Prohibition**

Disclosure of Proposal contents by a Bidder to any third party prior to Subcontract Award in this procurement may result in disqualification.

#### **4.14 Conflict of Interest**

A Bidder shall not give money or any other thing of value to members of SG's evaluation committee or to any employee of SG.

#### **4.15 Approval of Subcontract**

The Texas Department of Revenue, Lottery Division, retains the right to approve each Subcontractor. Such approval shall not be unreasonably withheld.

#### **4.16 Probity Investigations of Subcontractor**

The Texas Department of Revenue, Lottery Division, shall have the right to conduct probity investigations of any Subcontractor prior to and during the term of its Subcontract with SG.

#### **4.17 SG' Right to Audit and Access to Records, Record Keeping and Record Transfer**

The Supplier shall prepare, maintain and preserve all records with respect to the administration of this program. During the term of the contract, SG shall have access during normal business hours to all such records, in whatever form they exist or are stored. The Supplier shall afford the officers, attorneys, accountants, auditors, and other authorized representatives of SG free and full access to the records to be maintained by the Supplier pertinent to the RFQ.

At the option of SG, periodic audits may, at reasonable times, be made of the successful Suppliers' and all of their sub-contractors' books and records insofar as they pertain to the contract. Such audits shall be made at SG's expense by SG, or independent public accountants designated by SG. Said books and records shall be made available by the Supplier to the Auditors of SG. In the case that any discrepancy or breach of contract is discovered, all auditing expenses will be charged to the Supplier in addition to any legal settlements.

#### **4.18 Confidentiality and Care of Data**

The Supplier agrees to protect the confidentiality of any files, data or other materials pertaining to this RFQ and any resulting contract and to restrict their use solely for the purpose of completing this RFQ or fulfilling a resulting contract. The Supplier shall take all steps necessary to safeguard data, files, reports or other information from loss, destruction or erasure. Any costs or expenses of replacing or damages resulting from the loss of such data shall be borne by the Supplier when such loss or damage occurred through its negligence.

#### **4.19 Compliance with Law and Background Screening**

Supplier specifically acknowledges that SG is subject to the gaming and licensing requirements of various jurisdictions and is obliged to take reasonable efforts to determine the suitability of its business associates. Supplier agrees to cooperate fully with SG in providing it with any information, of whatever nature, that SG deems necessary or appropriate in assuring itself that Supplier possesses the good character, honesty, integrity, and reputation applicable to those engaged in the gaming industry and Supplier specifically represents that there is nothing in Supplier's background, history, or reputation that would be deemed unsuitable under the standards applicable to the gaming industry. If, during the term of any Agreement, SG is notified by any regulatory agency that the conduct of business with Supplier will jeopardize SG, or its affiliates', license or ability to be licensed or if SG concludes that Supplier fails to meet the above criteria, this Agreement shall terminate upon written notice by SG.

In addition, by responding to this RFQ Supplier represents and warrants, and, if selected shall be expected to provide representations and warranties in any contract entered into between the parties concerning, compliance with all laws, including but not limited to, applicable anti-corruption, competition, licensing, and registration laws, including the Foreign Corrupt Practices Act (FCPA); and with any applicable laws, regulations, and administrative requirements promulgated under the OECD Convention on Combating Bribery of Foreign Public Officials; and other similar representations and warranties.

Individual Supplier employees or subcontractors assigned to perform products at or on behalf of Supplier and who are to be granted (a) unescorted physical access rights to any Supplier's facility (as determined by SG), or (b) any local or remote network access rights, must submit to and pass SG standard state and federal felony and misdemeanor records screening. Screening shall include social security verification and corresponding information attached to the social security number. County and or municipal checks shall be conducted as required or to further obtain charge or case specifics and determine eligibility for work. Certain Products performed by Supplier may also require credit history screening and or national records screening via fingerprint card applications sent to the FBI/DOJ for processing as dictated by SG' customer contract requirements. Follow up searches may be conducted annually thereafter.

## Appendix A: Qualitative Questions

All respondents must answer questions 1-7 in the table below. Please enter your responses using as much space as necessary.

No.	Question	Response
1	Provide the official contact person (including name, phone, fax, e-mail address) with whom SG shall communicate regarding this RFQ.	
2	Provide your Texas Payee ID or Federal ID Number	
3	Confirm your company status as either a; certified HUB in the state of Texas, or a Minority or Woman Trade Organization. <u>Attach valid certificates and/or supporting documentation.</u>	
4	Indicate whether your firm has been or is the subject of a bankruptcy or insolvency proceeding or subject of assignment for benefit of creditors.	
5	Please provide a brief background on your company, including information on how long your company has been in business, ownership structure, location of your offices, and number of employees.	
6	Please confirm you have the State licenses, permits, certificates and authorizations needed to provide these products.	
7	<p>Supply a minimum of two (2) references that will attest to your ability (in the last three years) to provide products similar in scope to those outlined. For each reference, provide the following information:</p> <ul style="list-style-type: none"> <li>• The client organization's name, mailing address, contact name, telephone number and email address</li> <li>• The approximate period during which the products were provided</li> <li>• A summary of the type, quantity, and scope s</li> </ul>	

## Appendix B: Proposal Response

<b>BASELINE REQUIREMENTS:</b>				
<b>Servers: Hosted</b>	<b>Quantity</b>	<b>Cost Per Unit</b>	<b>Total Cost</b>	<b>Comments / Descriptions</b>
Virtual Private Server with 2GBs RAM and 50GB Data Storage	2	\$	\$	
Additional RAM (GBs)	4	\$	\$	
Additional Data Storage (GBs)	150	\$	\$	
Additional VCPU	1	\$	\$	
8 IP Address Block (5 usable)	1	\$	\$	
Off Site Backup (GBs)	300	\$	\$	
Managed Firewall	1	\$	\$	
<b>Connectivity / Co-location</b>	<b>Quantity</b>	<b>Cost Per Unit</b>	<b>Total Cost</b>	<b>Comments / Descriptions</b>
1U space in shared cabinet with (1) 120VAC Power outlet per U	2	\$	\$	
Ethernet Switched Port	1	\$	\$	
10/100/1000Mbps Internet Port (primary port)	1	\$	\$	
10/100/1000Mbps Internet Port (redundant port)	1	\$	\$	
Managed DNS Service including up to 5 add's, updates, or removes per month	1	\$	\$	

<b>ADDITIONAL REQUIREMENTS:</b>	<b>RESPONSE (Yes/No)</b>
Multiple Internet providers for redundancy	
Redundant networking equipment for high availability	
24x7 monitoring	
UPS/filtered power with generator backup	
Documented disaster recovery procedures	

Company Name	Date
Contact Name	Signature



**TEXAS LOTTERY  
COMMISSION**

**Insurance Broker Services**



# HSP Good Faith Effort - Method B (Attachment B)

(Rev. 10/11)

Enter your company's name here: Scientific Games

Requisition #: 362-12-0001

**IMPORTANT:** If you responded "No" to SECTION 2, Items c and d of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed in SECTION 2, Item b of the completed HSP form. You may photo-copy this page or download the form at <http://www.window.state.tx.us/procurement/prog/hub/hub-forms/HUBSubcontractingPlanAttachment-B.doc>

## SECTION B-1 SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing this attachment.

Item #: 9 Description: Insurance Broker Services

## SECTION B-2 MENTOR PROTÉGÉ PROGRAM

If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in SECTION B-1, constitutes a good faith effort to subcontract with a Texas certified HUB towards that specific portion of work.

Check the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé.

- Yes (If Yes, to continue to SECTION B-4.)  
 - No / Not Applicable (If No or Not Applicable, continue to SECTION B-3.)

## SECTION B-3 NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

When completing this section you MUST comply with items a, b, c and d, thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and minority or women trade organizations or development centers about the subcontracting opportunity you listed in SECTION B-1. Your notice should include the scope of work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person.

When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at <http://www.window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan/>

Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and minority or women trade organizations or development centers.

- Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HUBs at least seven (7) working days to respond to the notice prior to your submitting your bid response to the contracting agency. When searching for Texas certified HUBs, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) and Historically Underutilized Business (HUB) Search directory located at <http://www.window.state.tx.us/procurement/cmb/cmbhub.html>. HUB Status code "A" signifies that the company is a Texas certified HUB.
- List the three (3) Texas certified HUBs you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company's Vendor ID (VID) number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

Company Name	VID #	Date Notice Sent (mm/dd/yyyy)	Did the HUB Respond?
Ableco Insurance Agency, LLC	1264768558000	12 / 22 / 11	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No
James Hamilton Insurance Agency, Inc.	1300195068500	12 / 22 / 11	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No
Kingsbury Insurance Agency, Inc.	1742793926300	01 / 05 / 12	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No

- Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to minority or women trade organizations or development centers to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to minority or women trade organizations or development centers at least seven (7) working days prior to submitting your bid response to the contracting agency.

A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program's webpage at <http://www.window.state.tx.us/procurement/prog/hub/mwb-links-1/>

- Enter the name of the minority or women trade organizations or development centers you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the date when you sent notice to it and indicate if it accepted or rejected your notice.

Minority/Women Trade Organizations or Development Centers	Date Notice Sent (mm/dd/yyyy)	Was the Notice Accepted?
Women's Business Council - Southwest	12 / 02 / 11	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No
Southwest Minority Supplier Development	12 / 02 / 11	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No



# HSP Good Faith Effort - Method B (Attachment B) *Cont.*

Enter your company's name here: Scientific Games

Requisition #: 362-12-0001

## SECTION B-4 SUBCONTRACTOR SELECTION

- a. List the subcontractor(s) you selected to perform the subcontracting opportunity you listed in SECTION B-1. Also identify whether they are a Texas Certified HUB and their VID number, the approximate dollar value of the work to be subcontracted, the expected percentage of work to be subcontracted, and indicate whether the company is a Texas certified HUB.

Company Name	Texas Certified HUB	VID # <small>(Required if Texas Certified HUB)</small>	Approximate Dollar Amount	Expected Percentage of Contract
Beazley	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No		\$18,000	.36%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

- b. If any of the subcontractors you have selected to perform the subcontracting opportunity you listed in SECTION B-1 is **not** a Texas certified HUB, provide written justification for your selection process (attach additional page if necessary):

Scientific Games selected the vendor, Beazley, based on their ability to provide SG with the best overall value.

**REMINDER:** As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to **all** the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity it (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.

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# Results for HUBs only Search

CMBL/HUB Vendor Detail	
Vendor ID / Number:	1300195068500 / 61964
HUB Status:	A (HUB on CMBL)
HUB Expire Date:	25-FEB-14
Vendor Name:	JAMES-HAMILTON INSURANCE AGENCY, INC.
Vendor Address:	P. O. BOX 496683 GARLAND, TX 75049-6683
County:	DALLAS
Contact:	Pres/Elvonn J.A. Richardson
Phone / Fax:	972-348-2468 / 214-248-7352
Email Address:	
Ethnicity / Gender:	BL / M
Business Description:	Insurance services ( all lines) brokerages and agencies
Business Category:	OTHER SERVICES INCLUDING LEGAL SERVICES (06)
Small Business:	Y

## Comptroller's Tax Status This Vendor

## Comptroller Lookup Any Vendor

Vendor Performance	Score	# of POs
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:		
Exceptional Performance Reports:		

1 vendor found where vendor name contains 'hamilton insurance'.

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 §552.137

# Results for HUBs only Search

CMBL/HUB Vendor Detail	
Vendor ID / Number:	1264768558000 / 466565
HUB Status:	A (HUB on CMBL)
HUB Expire Date:	23-FEB-15
Vendor Name:	ABLECO INSURANCE AGENCY, LLC
Vendor Address:	PO BOX 703308 DALLAS, TX 75370 USA
County:	DALLAS
Contact:	President / Sharon Lee
Phone / Fax:	972-480-6032 / 972-480-6033
Email Address:	[REDACTED]
Ethnicity / Gender:	WO / F
Business Description:	AbleCo Insurance offers Work Comp, General Liability, Bonds, Business Auto, Professional Liability, Life, Health, Disability, Long-Term Care, Critical Illness, & other Insurance Products and Risk Management Services.
Business Category:	OTHER SERVICES INCLUDING LEGAL SERVICES (06)
Small Business:	Y

Comptroller's Tax Status This Vendor

Comptroller Lookup Any Vendor

<u>Vendor Performance</u>	<u>Score</u>	<u># of POs</u>
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:		
Exceptional Performance Reports:		

1 vendor found where vendor name contains 'ableco'.

# KINGSBURY INSURANCE AGENCY, INC

CMBL/HUB Vendor Detail	
Vendor ID / Number:	1742793926300 / 83579
HUB Status:	A (HUB on CMBL)
HUB Expire Date:	30-JUN-12
Vendor Name:	KINGSBURY INSURANCE AGENCY, INC
Vendor Address:	2050 NORTH LOOP WEST SUITE 110 HOUSTON, TX 77018
County:	HARRIS
Contact:	Jacquelyn Kingsbury
Phone / Fax:	713-682-8600 / 713-682-8610
Email Address:	[REDACTED]
Ethnicity / Gender:	WO / F
Business Description:	ALL TYPES OF BUSINESS INSURANCE, CONTRACT SURETY BONDING, GROUP BENEFITS ADMINISTRATION AND PROFESSIONAL EMPLOYMENT SERVICES. SERVING COMPANIES IN THE
Business Category:	OTHER SERVICES INCLUDING LEGAL SERVICES (06)
Small Business:	Y
CMBL Expire Date:	16-JUL-12

Comptroller's Tax Status This Vendor

Comptroller Lookup Any Vendor

Vendor Performance	Score	# of POs
Commodity Delivery:	*	0
Commodity Performance:	*	0
Service Delivery:	*	0
Service Performance:	*	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:	<u>0</u>	<u>0</u>
Exceptional Performance Reports:	<u>0</u>	

Class-Item   Commodity Description (bold for all items in class)	
953	<b>INSURANCE AND INSURANCE SERVICES, (ALL TYPES)</b>
953-77	Property and Casualty
commodity items shown for class 953 are available for the districts: 12,13,14,15,16	

See the CMBL Information Page for information on updates. Contact CPA by email at [e.cmb1@cpa.state.tx.us](mailto:e.cmb1@cpa.state.tx.us).

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\$552.137

**Owens, Lissa**

---

**From:** [REDACTED]  
**Sent:** Tuesday, December 27, 2011 9:22 AM  
**To:** Owens, Lissa  
**Subject:** Delivered: FW: Scientific Games Insurance Broker Services Bid Opportunity 12/22/11  
**Attachments:** delivery-status.txt

Your message was delivered to the recipient.

## Owens, Lissa

---

**From:** System Administrator [postmaster@cont.scientificgames.com]  
**Sent:** Tuesday, December 27, 2011 8:12 AM  
**To:** Owens, Lissa  
**Subject:** Relay report: 2.0.2 (Message relayed)  
**Attachments:** delivery-status.txt; message-header.txt; FW: Scientific Games Insurance Broker Services Bid Opportunity 12/22/11

### Your message

**From:** Owens, Lissa <[Lissa.Owens@scientificgames.com](mailto:Lissa.Owens@scientificgames.com)>

**To:** Owens, Lissa <[Lissa.Owens@scientificgames.com](mailto:Lissa.Owens@scientificgames.com)>

**Subj:** FW: Scientific Games Insurance Broker Services Bid Opportunity 12/22/11

**Sent:** 2011-12-27 08:12

was relayed to the following recipient(s):



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Unfortunately, the remote mail system does not support confirmation of actual delivery. Unless the final delivery fails, this will be the only delivery status notification sent.



From: Owens, Lissa Sent: Thu 12/22/2011 12:02 PM  
 To: Owens, Lissa  
 Cc:  
 Bcc: [REDACTED]  
 Subject: Scientific Games Insurance Broker Services Bid Opportunity 12/22/11

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 §552.137

Message TX Lottery - Insurance Broker Services rev2 RFQ.docx (110 KB)

Scientific Games, a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers is sourcing qualified, certified HUB's in the state of Texas who can provide the following products and/or services pending a contract award of the Texas Lottery RFP 362-12-0001:

- Insurance Broker Services

Please see the attached RFQ (Request for Quotation) and, if interested, provide your response by the deadline of January 6<sup>th</sup>, 2011 – 5:pm CST (Central Standard Time).

Contact me should you have any questions concerning this solicitation.

Thank you.

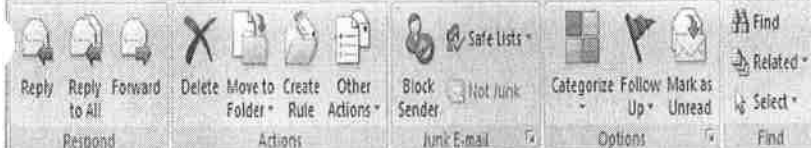
*Lissa J. Owens*  
 Sr. Buyer & Diversity Program Manager  
 Scientific Games  
 (770) 664-3718 office  
 (678) 230-4346 cell  
 (770) 664-3882 fax



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Message



You made changes to another copy of this item. This is the most recent version. [Click here to see the other versions.](#)

From: Owens, Lissa

Sent: Tue 12/27/2011 8:12 AM

To: Owens, Lissa

Cc:

Tx. Gov't Code

Bcc:

§552.137

Subject: FW: Scientific Games Insurance Broker Services Bid Opportunity 12/22/11

Message TX Lottery - Insurance Broker Services rev2 RFQ.docx (110 KB)

Scientific Games, a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers is sourcing qualified, certified HUB's in the state of Texas who can provide the following products and/or services pending a contract award of the Texas Lottery RFP 362-12-0001:

- Insurance Broker Services

Please see the attached RFQ (Request for Quotation) and, if interested, provide your response by the deadline of January 6<sup>th</sup>, 2011 – 5:pm CST (Central Standard Time).

Contact me should you have any questions concerning this solicitation.

Thank you.

**Lissa J. Owens**

Sr. Buyer & Diversity Program Manager

Scientific Games

(770) 664-3718 office

(678) 230-4346 cell

(770) 664-3882 fax



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Message

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 Other Actions  
 Block Sender  
 Not Junk  
 Junk E-mail  
 Safe Lists  
 Categorize  
 Follow Up  
 Mark as Unread  
 Find  
 Related  
 Select  
 Find

You made changes to another copy of this item. This is the most recent version. Click here to see the other versions.

From: Owens, Lissa

Sent: Thu 1/5/2012 12:51 PM

To: Owens, Lissa

**Tx. Gov't Code**

Cc:

**\$552.137**

Bcc:

Subject: Scientific Games Insurance Broker Services Bid Opportunity 1/5/12

Message TX Lottery - Insurance Broker Services rev21 5 12 RFQ.docx (110 KB)

Scientific Games, a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers is sourcing qualified, certified HUB's in the state of Texas who can provide the following products and/or services pending a contract award of the Texas Lottery RFP 362-12-0001:

- Insurance Broker Services

Please see the attached RFQ (Request for Quotation) and, if interested, provide your response by the deadline of January 17<sup>th</sup>, 2012 – 5:00pm CST (Central Standard Time).

Contact me should you have any questions concerning this solicitation.

Thank you.

*Lissa J. Owens*

Sr. Buyer & Diversity Program Manager

Scientific Games

(770) 664-3718 office

(678) 230-4346 cell

(770) 664-3882 fax



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# Scientific Games International, Inc. Request for Qualifications (RFQ)

## Insurance Broker Services

12/22/11

### 1. Introduction

#### 1.1 Background

Scientific Games Corporation (Scientific Games or SG) is a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers. The Company's products and products include instant lottery games, lottery gaming systems, terminals and products, and Internet applications, as well as server-based interactive gaming machines and associated gaming control systems. SG is divided into three business segments: Printed Products Group, Lottery Systems Group and Diversified Gaming Group. Printed Products Group is a provider of instant lottery tickets in the world. The Company's Lottery Systems Group is a provider of customized computer software, software support, equipment and data communication products to lotteries. Its Diversified Gaming Group provides products and systems to private and public operators in the wide area gaming industry.

#### 1.2 Intent & Objective of the RFQ

The intent & objective of this RFQ is to identify capable, qualified, experienced and cost competitive suppliers including certified Historically Underutilized Businesses (HUB's) in the state of Texas who can provide *Insurance Broker Services* contingent upon SG being awarded a contract under Texas Lottery RFP 362-12-0001. SG is requesting proposals for these products and if awarded the Texas Lottery Commission (TLC) contract, SG will then proceed with finalizing an award of this RFQ.

SG may award one or more Subcontracts as a result of this procurement. Following notification of award and subsequent successful negotiation if required, SG intends to enter into a Subcontract with the Successful Bidder(s) and the Successful Bidder(s) will then be a Subcontractor to SG.

### 2. Scope

#### 2.1 Scope

The information below is intended to give the Supplier an idea of the overall scope required as part of this RFQ. SG will further refine its needs prior to award and communicate those to selected Supplier(s).

**Service Requirements:** Selected suppliers are expected to perform *Insurance Broker Services* for SG to include providing Technology E&O (Errors and Omissions) Insurance from a Texas licensed insurance company and \$2 million (USD) limit of liability per claim.

**NOTE:** Specific policy information and requirements are not a part of this RFQ.

### 3. Instructions to Suppliers

#### 3.1 RFQ Responses & Submission of Proposals

##### A. Suppliers should submit:

- An email to SG Contact indicated in Section 3.3 by the RFQ deadline, with the electronic proposal as an attachment

**B. Proposals must include the following:**

- Completed Appendix A – Qualitative Questions
- Completed Appendix B – Proposal Response
- Attach Supporting Documentation for the above

**3.2 RFQ Process and Timing**

The timeline for this RFQ process is aggressive; proposals are due by COB on the date listed below. SG in its sole discretion may enter into contract negotiations/discussions with the Supplier(s) who submit proposals found to best meet the needs of this initiative.

Potential Suppliers are advised to review all sections of this RFQ carefully and to follow instructions completely, failure to make a complete submission as described elsewhere herein may result in rejection of the proposal and disqualification of the Supplier from further participation.

Proposals that depart from or materially alter the terms, requirements, or scope of work defined by this RFQ may be rejected for being non-responsive.

**Table 3.2 Key RFQ Dates:**

Activity	Date
RFQ sent out to suppliers	December 22, 2011
Supplier Response Deadline	January 6, 2011 – 5pm CST
Supplier Selection – Notice of Intent to Award <ul style="list-style-type: none"><li>• Contract contingent upon TLC RFP Award, SG Compliance Review and mutual acceptance of Terms &amp; Conditions</li></ul>	January 13 , 2011

**3.3 Communications, Inquiries and Questions**

Your interest in working with SG is welcomed; however, SG will only answer submitted questions if SG solely determines the question is critical to the success of the RFQ process. Responses will be circulated to all bidders. During the period from your company’s receipt of this RFQ until a contract is awarded, ANY and ALL communication, including questions, concerning this RFQ should ONLY be directed to the RFQ Administrator specified below.

Contact: Lissa Owens  
Scientific Games  
Procurement Department  
Email: lissa.owens@scientificgames.com  
Phone: (770) 664-3718

When submitting an e-mail, please include the RFQ NAME and your company name in the subject heading of the message. Inquiries should make specific reference to the sections and page numbers from this RFQ, where applicable.

**4. RFQ Terms and Conditions**

It is consented that by submitting a proposal, the Supplier is in agreement with the following RFQ terms and conditions. If there is an objection to these terms, the Supplier must note those objections in their response.

**4.1 Contracting Period**

A contract will be contingent upon;

- SG being awarded the Texas Lottery contract referenced in this RFQ
- Selected suppliers passing SG’s internal Compliance with Law and Background Screening
- SG and Supplier mutually agreeing upon Terms and Conditions

The contracted products are anticipated to begin in **July 1, 2012**. All awarded subcontracting opportunities are for one (1) year with options to renew.

#### **4.2 Invoicing and Payment Processing**

Invoice charges must match agreed-upon contract pricing. All invoices should show all applicable charges. Invoices should have capability to be submitted in both printed form and Electronic Data Interchange (EDI) or Internet standard formats. Invoices shall be paid by SG thirty (30) days after receipt. In the event of a legitimate dispute with regard to errors on an invoice, SG has the right to withhold payment of any disputed amount on such invoice while the parties attempt to resolve the disputed amount in accordance with the dispute resolution procedures specified in the contract.

#### **4.3 Duration and Availability of Proposed Prices**

The prices, terms and conditions specified in the Supplier's proposal must be valid for a period of one hundred twenty (120) days from the due date of the proposals. Once a contract is signed, the prices must remain valid for the term of that contract and any subsequent extension(s); unless SG agrees in writing that the pricing should be modified.

#### **4.4 Statement of Non-Commitment**

This RFQ is not an offer to enter into an agreement with any Supplier; it is a request to receive proposals from Suppliers interested in providing SG products and products specified within. SG reserves the right to reject all proposals, in whole or in part, and/or enter into discussions with any party to provide such products. SG will not have any obligation to the Supplier unless and until it has entered into a written agreement with the Supplier on terms and conditions satisfactory to SG. SG entering into negotiations with the Supplier with respect to any proposal or otherwise shall not be deemed to be an acceptance of such proposal or an agreement with the Supplier. Supplier-specific information (such as names, contact information, or pricing data) is used solely for Supplier selection on behalf of SG.

#### **4.5 Supplier Demonstration of Proposed Capabilities, Products and/or Products**

At the discretion of SG, the Supplier must be prepared to provide any evidence of experience, performance, ability, and/or financial surety that SG deems necessary to fully establish the performance capabilities represented in their proposal. Any required confirmation must be provided in writing to SG without cost to SG.

#### **4.6 Ownership of Proposals**

Proposals and any other materials submitted by a Bidder in response to this RFQ will become the exclusive property of SG upon receipt and will not be returned.

#### **4.7 Execution of Contract**

Once the evaluation of the proposals and the Supplier selection are complete, the selected proposal(s), if any, and this RFQ will serve as the basis for a contract that will be negotiated and executed between SG and the selected Supplier(s). This RFQ and the proposal will likely be attached to the contract as exhibits.

#### **4.8 Oral Agreements or Arrangements**

Any alleged oral agreements or arrangements made by the Supplier with any SG agent or employee will be disregarded in any proposal evaluation or associated award.

#### **4.9 Independent Price Determinants**

The Supplier shall warrant, represent, and certify that the following requirements have been met in connection with their proposal for this RFQ:

The prices proposed have been arrived at independently, without consultation, communication, or agreement for the purpose of restricting competition as to any matter relating to such process with any other organization or with any competitor; unless otherwise required by law, the pricing proposed has not been knowingly disclosed by the Supplier on a prior basis directly or indirectly to any other organization or to any competitor; and no attempt has been made, or will be made, by the proposed to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

#### **4.10 Payments Against a Contract Award**

Under no circumstances shall the successful Supplier begin to perform under a contract prior to the effective date of such contract. SG shall assume no liability for payments under the terms of the contract until the successful Supplier is notified that the contract has been accepted by SG. In no case shall a successful Supplier bill SG prices in excess of the price indicated in the final contract agreed to and accepted by SG. Any authorized or agreed additional charges can only be approved for payment by means of an amendment to the contract.

#### **4.11 No SG Liability for Proposal Costs**

SG is not liable for any costs incurred by Bidders as a result of responding to this RFQ.

#### **4.12 Proposal Disclosure Prohibition**

Disclosure of Proposal contents by a Bidder to any third party prior to Subcontract Award in this procurement may result in disqualification.

#### **4.13 Conflict of Interest**

A Bidder shall not give money or any other thing of value to members of SG's evaluation committee or to any employee of SG.

#### **4.14 Approval of Subcontract**

The Texas Department of Revenue, Lottery Division, retains the right to approve each Subcontractor. Such approval shall not be unreasonably withheld.

#### **4.15 Probity Investigations of Subcontractor**

The Texas Department of Revenue, Lottery Division, shall have the right to conduct probity investigations of any Subcontractor prior to and during the term of its Subcontract with SG.

#### **4.16 SG' Right to Audit and Access to Records, Record Keeping and Record Transfer**

The Supplier shall prepare, maintain and preserve all records with respect to the administration of this program. During the term of the contract, SG shall have access during normal business hours to all such records, in whatever form they exist or are stored. The Supplier shall afford the officers, attorneys, accountants, auditors, and other authorized representatives of SG free and full access to the records to be maintained by the Supplier pertinent to the RFQ.

At the option of SG, periodic audits may, at reasonable times, be made of the successful Suppliers' and all of their sub-contractors' books and records insofar as they pertain to the contract. Such audits shall be made at SG's expense by SG, or independent public accountants designated by SG. Said books and records shall be made available by the Supplier to the Auditors of SG. In the case that any discrepancy or breach of contract is discovered, all auditing expenses will be charged to the Supplier in addition to any legal settlements.

#### **4.17 Confidentiality and Care of Data**

The Supplier agrees to protect the confidentiality of any files, data or other materials pertaining to this RFQ and any resulting contract and to restrict their use solely for the purpose of completing this RFQ or fulfilling a resulting contract. The Supplier shall take all steps necessary to safeguard data, files, reports or other information from loss, destruction or erasure. Any costs or expenses of replacing or damages resulting from the loss of such data shall be borne by the Supplier when such loss or damage occurred through its negligence.

#### **4.18 Compliance with Law and Background Screening**

Supplier specifically acknowledges that SG is subject to the gaming and licensing requirements of various jurisdictions and is obliged to take reasonable efforts to determine the suitability of its business associates. Supplier agrees to cooperate fully with SG in providing it with any information, of whatever nature, that SG deems necessary or appropriate in assuring itself that Supplier possesses the good character, honesty, integrity, and reputation applicable to those engaged in the gaming industry and Supplier specifically represents that there is nothing in Supplier's background, history, or reputation that would be deemed unsuitable under the standards applicable to the gaming industry. If, during the term of any Agreement, SG is notified by any regulatory agency that the conduct of business with Supplier will jeopardize SG, or its affiliates', license or ability to be licensed or if SG concludes that Supplier fails to meet the above criteria, this Agreement shall terminate upon written notice by SG.

In addition, by responding to this RFQ Supplier represents and warrants, and, if selected shall be expected to provide representations and warranties in any contract entered into between the parties concerning, compliance with all laws, including but not limited to, applicable anti-corruption, competition, licensing, and registration laws, including the Foreign Corrupt Practices Act (FCPA); and with any applicable laws, regulations, and administrative requirements promulgated under the OECD Convention on Combating Bribery of Foreign Public Officials; and other similar representations and warranties.

Individual Supplier employees or subcontractors assigned to perform products at or on behalf of Supplier and who are to be granted (a) unescorted physical access rights to any Supplier's facility (as determined by SG), or (b) any local or remote network access rights, must submit to and pass SG standard state and federal felony and misdemeanor records screening. Screening shall include social security verification and corresponding information attached to the social security number. County and or municipal checks shall be conducted as required or to further obtain charge or case specifics and determine eligibility for work. Certain Products performed by Supplier may also require credit history screening and or national records screening via fingerprint card applications sent to the FBI/DOJ for processing as dictated by SG' customer contract requirements. Follow up searches may be conducted annually thereafter.

## Appendix A: Qualitative Questions

All respondents must answer questions 1-7 in the table below. Please enter your responses using as much space as necessary.

No.	Question	Response
1	Provide the official contact person (including name, phone, fax, e-mail address) with whom SG shall communicate regarding this RFQ.	
2	Provide your Texas Payee ID or Federal ID Number	
3	Confirm your company status as either a; certified HUB in the state of Texas, or a Minority or Woman Trade Organization. <u>Attach valid certificates and/or supporting documentation.</u>	
4	Indicate whether your firm has been or is the subject of a bankruptcy or insolvency proceeding or subject of assignment for benefit of creditors.	
5	Please provide a brief background on your company, including information on how long your company has been in business, ownership structure, location of your offices, and number of employees.	
6	Please confirm you have the State licenses, permits, certificates and authorizations needed to provide these products.	
7	<p>Supply a minimum of two (2) references that will attest to your ability (in the last three years) to provide products similar in scope to those outlined. For each reference, provide the following information:</p> <ul style="list-style-type: none"> <li>• The client organization's name, mailing address, contact name, telephone number and email address</li> <li>• The approximate period during which the products were provided</li> <li>• A summary of the type, quantity, and scope of services</li> </ul>	
8	Provide examples of types of E&O insurance placements performed in the past and the Insurance companies used.	

## Appendix B: Proposal Response

No.	Question	YES	NO
1	Do you have experience brokering E&O (Errors and Omissions) technology insurance for large companies with \$1B of revenue or more on an annual basis?		
1b.	Are all your technology E&O insurance companies A+ rated by A.M. Best Company or other insurance-rating and information agency?		
3	Do you have a broker team dedicated to technology E&O placements with in-depth experience in placing coverage for technology and/or gaming companies?		
4	Do you have in-house specialty claims personnel with technical expertise in E&O technology policies? <u>If yes, indicate the average years of experience.</u>		

### PRICING STRUCTURE

ITEM	DESCRIPTION OF SERVICES REQUIRED	DESCRIBE PROPOSED PRICING METHOD	ANNUAL FEE (\$) AND/OR PERCENTAGE (%)
1	Insurance Broker Services to include providing Technology E&O (Errors and Omissions) Insurance from a Texas licensed insurance company and \$2 million (USD) limit of liability per claim.		
	<b>TOTAL PRICE</b>		

Company Name	Date
Contact Name	Signature





# Scientific Games International, Inc. Request for Qualifications (RFQ)

## Insurance Broker Services

01/05/12

### 1. Introduction

#### 1.1 Background

Scientific Games Corporation (Scientific Games or SG) is a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers. The Company's products and products include instant lottery games, lottery gaming systems, terminals and products, and Internet applications, as well as server-based interactive gaming machines and associated gaming control systems. SG is divided into three business segments: Printed Products Group, Lottery Systems Group and Diversified Gaming Group. Printed Products Group is a provider of instant lottery tickets in the world. The Company's Lottery Systems Group is a provider of customized computer software, software support, equipment and data communication products to lotteries. Its Diversified Gaming Group provides products and systems to private and public operators in the wide area gaming industry.

#### 1.2 Intent & Objective of the RFQ

The intent & objective of this RFQ is to identify capable, qualified, experienced and cost competitive suppliers including certified Historically Underutilized Businesses (HUB's) in the state of Texas who can provide **Insurance Broker Services** contingent upon SG being awarded a contract under Texas Lottery RFP 362-12-0001. SG is requesting proposals for these products and if awarded the Texas Lottery Commission (TLC) contract, SG will then proceed with finalizing an award of this RFQ.

SG may award one or more Subcontracts as a result of this procurement. Following notification of award and subsequent successful negotiation if required, SG intends to enter into a Subcontract with the Successful Bidder(s) and the Successful Bidder(s) will then be a Subcontractor to SG.

### 2. Scope

#### 2.1 Scope

The information below is intended to give the Supplier an idea of the overall scope required as part of this RFQ. SG will further refine its needs prior to award and communicate those to selected Supplier(s).

**Service Requirements:** Selected suppliers are expected to perform **Insurance Broker Services** for SG to include providing Technology E&O (Errors and Omissions) Insurance from a Texas licensed insurance company and \$2 million (USD) limit of liability per claim.

**NOTE:** Specific policy information and requirements are not a part of this RFQ.

### 3. Instructions to Suppliers

#### 3.1 RFQ Responses & Submission of Proposals

##### A. Suppliers should submit:

- An email to SG Contact indicated in Section 3.3 by the RFQ deadline, with the electronic proposal as an attachment

**B. Proposals must include the following:**

- Completed Appendix A – Qualitative Questions
- Completed Appendix B – Proposal Response
- Attach Supporting Documentation for the above

**3.2 RFQ Process and Timing**

The timeline for this RFQ process is aggressive; proposals are due by COB on the date listed below. SG in its sole discretion may enter into contract negotiations/discussions with the Supplier(s) who submit proposals found to best meet the needs of this initiative.

Potential Suppliers are advised to review all sections of this RFQ carefully and to follow instructions completely, failure to make a complete submission as described elsewhere herein may result in rejection of the proposal and disqualification of the Supplier from further participation.

Proposals that depart from or materially alter the terms, requirements, or scope of work defined by this RFQ may be rejected for being non-responsive.

**Table 3.2 Key RFQ Dates:**

Activity	Date
RFQ sent out to suppliers	January 5, 2012
Supplier Response Deadline	January 17, 2012 – 5pm CST
Supplier Selection – Notice of Intent to Award <ul style="list-style-type: none"><li>• Contract contingent upon TLC RFP Award, SG Compliance Review and mutual acceptance of Terms &amp; Conditions</li></ul>	January 19, 2012

**3.3 Communications, Inquiries and Questions**

Your interest in working with SG is welcomed; however, SG will only answer submitted questions if SG solely determines the question is critical to the success of the RFQ process. Responses will be circulated to all bidders. During the period from your company’s receipt of this RFQ until a contract is awarded, ANY and ALL communication, including questions, concerning this RFQ should ONLY be directed to the RFQ Administrator specified below.

Contact: Lissa Owens  
Scientific Games  
Procurement Department  
Email: lissa.owens@scientificgames.com  
Phone: (770) 664-3718

When submitting an e-mail, please include the RFQ NAME and your company name in the subject heading of the message. Inquiries should make specific reference to the sections and page numbers from this RFQ, where applicable.

**4. RFQ Terms and Conditions**

It is consented that by submitting a proposal, the Supplier is in agreement with the following RFQ terms and conditions. If there is an objection to these terms, the Supplier must note those objections in their response.

**4.1 Contracting Period**

A contract will be contingent upon;

- SG being awarded the Texas Lottery contract referenced in this RFQ
- Selected suppliers passing SG’s internal Compliance with Law and Background Screening
- SG and Supplier mutually agreeing upon Terms and Conditions

The contracted products are anticipated to begin in *July 1, 2012*. All awarded subcontracting opportunities are for one (1) year with options to renew.

#### **4.2 Invoicing and Payment Processing**

Invoice charges must match agreed-upon contract pricing. All invoices should show all applicable charges. Invoices should have capability to be submitted in both printed form and Electronic Data Interchange (EDI) or Internet standard formats. Invoices shall be paid by SG thirty (30) days after receipt. In the event of a legitimate dispute with regard to errors on an invoice, SG has the right to withhold payment of any disputed amount on such invoice while the parties attempt to resolve the disputed amount in accordance with the dispute resolution procedures specified in the contract.

#### **4.3 Duration and Availability of Proposed Prices**

The prices, terms and conditions specified in the Supplier's proposal must be valid for a period of one hundred twenty (120) days from the due date of the proposals. Once a contract is signed, the prices must remain valid for the term of that contract and any subsequent extension(s); unless SG agrees in writing that the pricing should be modified.

#### **4.4 Statement of Non-Commitment**

This RFQ is not an offer to enter into an agreement with any Supplier; it is a request to receive proposals from Suppliers interested in providing SG products and products specified within. SG reserves the right to reject all proposals, in whole or in part, and/or enter into discussions with any party to provide such products. SG will not have any obligation to the Supplier unless and until it has entered into a written agreement with the Supplier on terms and conditions satisfactory to SG. SG entering into negotiations with the Supplier with respect to any proposal or otherwise shall not be deemed to be an acceptance of such proposal or an agreement with the Supplier. Supplier-specific information (such as names, contact information, or pricing data) is used solely for Supplier selection on behalf of SG.

#### **4.5 Supplier Demonstration of Proposed Capabilities, Products and/or Products**

At the discretion of SG, the Supplier must be prepared to provide any evidence of experience, performance, ability, and/or financial surety that SG deems necessary to fully establish the performance capabilities represented in their proposal. Any required confirmation must be provided in writing to SG without cost to SG.

#### **4.6 Ownership of Proposals**

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#### **4.7 Execution of Contract**

Once the evaluation of the proposals and the Supplier selection are complete, the selected proposal(s), if any, and this RFQ will serve as the basis for a contract that will be negotiated and executed between SG and the selected Supplier(s). This RFQ and the proposal will likely be attached to the contract as exhibits.

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#### **4.9 Independent Price Determinants**

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#### **4.10 Payments Against a Contract Award**

Under no circumstances shall the successful Supplier begin to perform under a contract prior to the effective date of such contract. SG shall assume no liability for payments under the terms of the contract until the successful Supplier is notified that the contract has been accepted by SG. In no case shall a successful Supplier bill SG prices in excess of the price indicated in the final contract agreed to and accepted by SG. Any authorized or agreed additional charges can only be approved for payment by means of an amendment to the contract.

#### **4.11 No SG Liability for Proposal Costs**

SG is not liable for any costs incurred by Bidders as a result of responding to this RFQ.

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Disclosure of Proposal contents by a Bidder to any third party prior to Subcontract Award in this procurement may result in disqualification.

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#### **4.15 Probity Investigations of Subcontractor**

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#### **4.16 SG' Right to Audit and Access to Records, Record Keeping and Record Transfer**

The Supplier shall prepare, maintain and preserve all records with respect to the administration of this program. During the term of the contract, SG shall have access during normal business hours to all such records, in whatever form they exist or are stored. The Supplier shall afford the officers, attorneys, accountants, auditors, and other authorized representatives of SG free and full access to the records to be maintained by the Supplier pertinent to the RFQ.

At the option of SG, periodic audits may, at reasonable times, be made of the successful Suppliers' and all of their sub-contractors' books and records insofar as they pertain to the contract. Such audits shall be made at SG's expense by SG, or independent public accountants designated by SG. Said books and records shall be made available by the Supplier to the Auditors of SG. In the case that any discrepancy or breach of contract is discovered, all auditing expenses will be charged to the Supplier in addition to any legal settlements.

#### **4.17 Confidentiality and Care of Data**

The Supplier agrees to protect the confidentiality of any files, data or other materials pertaining to this RFQ and any resulting contract and to restrict their use solely for the purpose of completing this RFQ or fulfilling a resulting contract. The Supplier shall take all steps necessary to safeguard data, files, reports or other information from loss, destruction or erasure. Any costs or expenses of replacing or damages resulting from the loss of such data shall be borne by the Supplier when such loss or damage occurred through its negligence.

#### **4.18 Compliance with Law and Background Screening**

Supplier specifically acknowledges that SG is subject to the gaming and licensing requirements of various jurisdictions and is obliged to take reasonable efforts to determine the suitability of its business associates. Supplier agrees to cooperate fully with SG in providing it with any information, of whatever nature, that SG deems necessary or appropriate in assuring itself that Supplier possesses the good character, honesty, integrity, and reputation applicable to those engaged in the gaming industry and Supplier specifically represents that there is nothing in Supplier's background, history, or reputation that would be deemed unsuitable under the standards applicable to the gaming industry. If, during the term of any Agreement, SG is notified by any regulatory agency that the conduct of business with Supplier will jeopardize SG, or its affiliates', license or ability to be licensed or if SG concludes that Supplier fails to meet the above criteria, this Agreement shall terminate upon written notice by SG.

In addition, by responding to this RFQ Supplier represents and warrants, and, if selected shall be expected to provide representations and warranties in any contract entered into between the parties concerning, compliance with all laws, including but not limited to, applicable anti-corruption, competition, licensing, and registration laws, including the Foreign Corrupt Practices Act (FCPA); and with any applicable laws, regulations, and administrative requirements promulgated under the OECD Convention on Combating Bribery of Foreign Public Officials; and other similar representations and warranties.

Individual Supplier employees or subcontractors assigned to perform products at or on behalf of Supplier and who are to be granted (a) unescorted physical access rights to any Supplier's facility (as determined by SG), or (b) any local or remote network access rights, must submit to and pass SG standard state and federal felony and misdemeanor records screening. Screening shall include social security verification and corresponding information attached to the social security number. County and or municipal checks shall be conducted as required or to further obtain charge or case specifics and determine eligibility for work. Certain Products performed by Supplier may also require credit history screening and or national records screening via fingerprint card applications sent to the FBI/DOJ for processing as dictated by SG' customer contract requirements. Follow up searches may be conducted annually thereafter.

## Appendix A: Qualitative Questions

All respondents must answer questions 1-7 in the table below. Please enter your responses using as much space as necessary.

No.	Question	Response
1	Provide the official contact person (including name, phone, fax, e-mail address) with whom SG shall communicate regarding this RFQ.	
2	Provide your Texas Payee ID or Federal ID Number	
3	Confirm your company status as either a; certified HUB in the state of Texas, or a Minority or Woman Trade Organization. <u>Attach valid certificates and/or supporting documentation.</u>	
4	Indicate whether your firm has been or is the subject of a bankruptcy or insolvency proceeding or subject of assignment for benefit of creditors.	
5	Please provide a brief background on your company, including information on how long your company has been in business, ownership structure, location of your offices, and number of employees.	
6	Please confirm you have the State licenses, permits, certificates and authorizations needed to provide these products.	
7	<p>Supply a minimum of two (2) references that will attest to your ability (in the last three years) to provide products similar in scope to those outlined. For each reference, provide the following information:</p> <ul style="list-style-type: none"> <li>• The client organization's name, mailing address, contact name, telephone number and email address</li> <li>• The approximate period during which the products were provided</li> <li>• A summary of the type, quantity, and scope of services</li> </ul>	
8	Provide examples of types of E&O insurance placements performed in the past and the Insurance companies used.	

**Appendix B: Proposal Response**

No.	Question	YES	NO
1	Do you have experience brokering E&O (Errors and Omissions) technology insurance for large companies with \$1B of revenue or more on an annual basis?		
1b.	Are all your technology E&O insurance companies A+ rated by A.M. Best Company or other insurance-rating and information agency?		
3	Do you have a broker team dedicated to technology E&O placements with in-depth experience in placing coverage for technology and/or gaming companies?		
4	Do you have in-house specialty claims personnel with technical expertise in E&O technology policies? <u>If yes, indicate the average years of experience.</u>		

**PRICING STRUCTURE**

ITEM	DESCRIPTION OF SERVICES REQUIRED	DESCRIBE PROPOSED PRICING METHOD	ANNUAL FEE (\$) AND/OR PERCENTAGE (%)
1	Insurance Broker Services to include providing Technology E&O (Errors and Omissions) Insurance from a Texas licensed insurance company and \$2 million (USD) limit of liability per claim.		
	<b>TOTAL PRICE</b>		

Company Name	Date
Contact Name	Signature



# TEXAS LOTTERY COMMISSION

Travel Agency Services





# HSP Good Faith Effort - Method B (Attachment B)

(Rev. 10/11)

Enter your company's name here: Scientific Games

Requisition #: 362-12-0001

**IMPORTANT:** If you responded "No" to SECTION 2, Items c and d of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed in SECTION 2, Item b of the completed HSP form. You may photo-copy this page or download the form at <http://www.window.state.tx.us/procurement/prog/hub/hub-forms/HUBSubcontractingPlanAttachment-B.doc>

## SECTION B-1 SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing this attachment.

Item #: 10 Description: Travel Agency Services

## SECTION B-2 MENTOR PROTÉGÉ PROGRAM

If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in SECTION B-1, constitutes a good faith effort to subcontract with a Texas certified HUB towards that specific portion of work.

Check the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé.

- Yes (If Yes, to continue to SECTION B-4.)  
 - No / Not Applicable (If No or Not Applicable, continue to SECTION B-3.)

## SECTION B-3 NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

When completing this section you **MUST** comply with items a, b, c and d, thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and minority or women trade organizations or development centers about the subcontracting opportunity you listed in SECTION B-1. Your notice should include the scope of work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person.

When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at <http://www.window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan/>

Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and minority or women trade organizations or development centers.

- Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HUBs at least seven (7) working days to respond to the notice prior to your submitting your bid response to the contracting agency. When searching for Texas certified HUBs, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) and Historically Underutilized Business (HUB) Search directory located at <http://www.window.state.tx.us/procurement/cmb/cmbhub.html>. HUB Status code "A" signifies that the company is a Texas certified HUB.
- List the three (3) Texas certified HUBs you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company's Vendor ID (VID) number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

Company Name	VID #	Date Notice Sent (mm/dd/yyyy)	Did the HUB Respond?
Corporate Travel Planners, Inc.	1742688510300	01 / 05 / 12	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No
Sun Travel, Inc.	1741533358600	01 / 05 / 12	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No
Future Travel Inc.	1760086629100	01 / 05 / 12	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No

- Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to minority or women trade organizations or development centers to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to minority or women trade organizations or development centers at least seven (7) working days prior to submitting your bid response to the contracting agency.

A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program's webpage at <http://www.window.state.tx.us/procurement/prog/hub/mwb-links-1/>

- Enter the name of the minority or women trade organizations or development centers you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the date when you sent notice to it and indicate if it accepted or rejected your notice.

Minority/Women Trade Organizations or Development Centers	Date Notice Sent (mm/dd/yyyy)	Was the Notice Accepted?
Women's Business Enterprise Alliance	01 / 05 / 12	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No
Southwest Minority Supplier Development	01 / 05 / 12	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No



**CORPORATE TRAVEL PLANNERS, INC.**Tx. Gov't Code  
\$552.137

CMBL/HUB Vendor Detail	
Vendor ID / Number:	1742688510300 / 72668
HUB Status:	A (HUB on CMBL)
HUB Expire Date:	16-NOV-14
Vendor Name:	CORPORATE TRAVEL PLANNERS, INC.
Vendor Address:	1919 NW LOOP 410, SUITE 200 SAN ANTONIO, TX 78213 USA
County:	BEXAR
Vendor URL:	<a href="http://www.ctptravelservices.com">http://www.ctptravelservices.com</a>
Contact:	President/ CHRISTINE J. PRESCOTT
Phone / Fax:	210-366-4450 / 210-366-0474
Email Address:	
Ethnicity / Gender:	WO / F
Business Description:	TRAVEL SERVICES
Business Category:	OTHER SERVICES INCLUDING LEGAL SERVICES (06)
Small Business:	Y
CMBL Expire Date:	14-APR-12

Comptroller's Tax Status This VendorComptroller Lookup Any Vendor

Vendor Performance	Score	# of POs
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
Non-Scored Reports:	Satisfactory	Unsatisfactory
Delegated, Exempt, and Blanket POs:	<u>0</u>	<u>0</u>
Exceptional Performance Reports:	<u>0</u>	

Class-Item   Commodity Description ( <i>bold for all items in class</i> )	
958	<b>*MANAGEMENT SERVICES</b>
958-92	Travel Management Services
commodity items shown for class 958 are available for the districts: 1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,18,19,20,21,22,23,24,25	
961	<b>*MISCELLANEOUS SERVICES, NO. 1 (NOT OTHERWISE CLASSIFIED)</b>

961-78	Travel Agency Services
	commodity items shown for class 961 are available for the districts: 1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,18,19,20,21,22,23,24,25
962	<i>*MISCELLANEOUS SERVICES, NO. 2 (NOT OTHERWISE CLASSIFIED)</i>
962-87	Travel, Local (Provided by Third Party)
962-88	Travel, Non-Local (Scheduled and Unscheduled), Provided by Third Party (Incl. Commercial Airplane Travel and Helicopter Services)
	commodity items shown for class 962 are available for the districts: 1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,18,19,20,21,22,23,24,25

See the [CMBL Information Page](#) for information on updates. Contact CPA by email at [e.cmb1@cpa.state.tx.us](mailto:e.cmb1@cpa.state.tx.us).

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# SUN TRAVEL, INC.

CMBL/HUB Vendor Detail	
Vendor ID / Number:	1741533358600 / 01997
HUB Status:	A (HUB on CMBL)
HUB Expire Date:	11-JAN-15
Vendor Name:	SUN TRAVEL, INC.
Vendor Address:	3100 NORTH MESA EL PASO, TX 79902 USA
County:	EL PASO
Vendor URL:	<a href="http://www.suntvl.com">http://www.suntvl.com</a>
Contact:	Chairwoman/Justine Coleman
Phone / Fax:	915-532-8900 / 915-533-6887
Email Address:	[REDACTED]
Ethnicity / Gender:	WO / F
Business Description:	Travel Management Center (Travel Agency)
Business Category:	OTHER SERVICES INCLUDING LEGAL SERVICES (06)
Small Business:	Y
CMBL Expire Date:	08-FEB-12

Comptroller's Tax Status This Vendor

Comptroller Lookup Any Vendor

Vendor Performance	Score	# of POs
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:	<u>0</u>	<u>0</u>
Exceptional Performance Reports:	<u>0</u>	

Class-Item   Commodity Description (bold for all items in class)	
961	<b>*MISCELLANEOUS SERVICES, NO. 1 (NOT OTHERWISE CLASSIFIED)</b>
961-78	Travel Agency Services
commodity items shown for class 961 are available for the districts: 1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,18,19,20,21,22,23,24,25	
962	<b>*MISCELLANEOUS SERVICES, NO. 2 (NOT OTHERWISE CLASSIFIED)</b>
962-88	Travel, Non-Local (Scheduled and Unscheduled), Provided by Third Party (Incl. Commercial Airplane Travel and Helicopter Services)

commodity items shown for class 962 are available for the districts:  
1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,18,19,20,21,22,23,24,25

See the [CMBL Information Page](#) for information on updates. Contact CPA by email at [e.cmbl@cpa.state.tx.us](mailto:e.cmbl@cpa.state.tx.us).

# FUTURE TRAVEL INC

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CMBL/HUB Vendor Detail	
Vendor ID / Number:	1760086629100 / 01344
HUB Status:	A (HUB on CMBL)
HUB Expire Date:	30-APR-12
Vendor Name:	FUTURE TRAVEL INC
Vendor Address:	1085 HERCULES AVE HOUSTON, TX 77058 USA
County:	HARRIS
Vendor URL:	<a href="http://www.travelleaders.com/future">www.travelleaders.com/future</a>
Contact:	Weller, Charlotte
Phone / Fax:	281-480-1988 / 281-480-8002
Email Address:	[REDACTED]
Ethnicity / Gender:	WO / F
Business Description:	Full service Travel Agency - booking airlines, cars, hotels, limos, rail, cruises and tours. specializing in Corporate Travel Management, including On-line Self-booking Booking Tools & Expense Management for Cost Reimbursable Govt Companies
Business Category:	OTHER SERVICES INCLUDING LEGAL SERVICES (06)
Small Business:	Y
CMBL Expire Date:	25-AUG-12

Comptroller's Tax Status This Vendor

Comptroller Lookup Any Vendor

Vendor Performance	Score	# of POs
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:	<u>0</u>	<u>0</u>
Exceptional Performance Reports:	<u>0</u>	

Class-Item   Commodity Description (bold for all items in class)	
961	<b>*MISCELLANEOUS SERVICES, NO. 1 (NOT OTHERWISE CLASSIFIED)</b>
961-78	Travel Agency Services

commodity items shown for class 961 are available for the districts:  
1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,18,19,20,21,22,23,24,25

See the [CMBL Information Page](#) for information on updates. Contact CPA by email at [e.cmbl@cpa.state.tx.us](mailto:e.cmbl@cpa.state.tx.us).



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Owens, Lissa

---

**From:** Maggie Trevino [REDACTED]  
**ent:** Thursday, January 05, 2012 3:23 PM  
**Subject:** Read: Scientific Games Travel Agency Services Bid Opportunity - 1/5/12

Your message

To: [REDACTED]  
Subject:

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was read on 1/5/2012 3:23 PM.

## Owens, Lissa

---

**From:** System Administrator [postmaster@cont.scientificgames.com]  
**Sent:** Thursday, January 05, 2012 2:55 PM  
**To:** Owens, Lissa  
**Subject:** Relay report: 2.0.2 (Message relayed)  
**Attachments:** delivery-status.txt; message-header.txt; Scientific Games Travel Agency Services Bid Opportunity - 1/5/12

### Your message

**From:** Owens, Lissa <[Lissa.Owens@scientificgames.com](mailto:Lissa.Owens@scientificgames.com)>

**To:** Owens, Lissa <[Lissa.Owens@scientificgames.com](mailto:Lissa.Owens@scientificgames.com)>

**Subj:** Scientific Games Travel Agency Services Bid Opportunity - 1/5/12

**Sent:** 2012-01-05 14:54

was relayed to the following recipient(s):

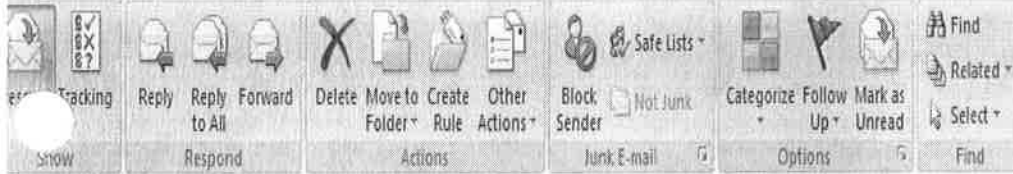


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**\$552.137**

Unfortunately, the remote mail system does not support confirmation of actual delivery. Unless the final delivery fails, this will be the only delivery status notification sent.

Message



From: Owens, Lissa

Sent: Thu 1/5/2012 2:55 PM

To: Owens, Lissa

Subject: Scientific Games Travel Agency Services Bid Opportunity - 1/5/12

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§552.137

Message: TX Lottery - Travel Agency Services RFQrev.docx (110 KB)

Scientific Games, a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers is sourcing qualified, certified HUB's in the state of Texas who can provide the following products and/or services pending a contract award of the Texas Lottery RFP 362-12-0001:

- Travel Agency Services

Please see the attached RFQ (Request for Quotation) and, if interested, provide your response by the deadline of January 17<sup>th</sup>, 2012 – 5:00pm CST (Central Standard Time).

Contact me should you have any questions concerning this solicitation.

Thank you.

L' Owens  
Sr. Buyer & Diversity Program Manager  
Scientific Games  
(770) 664-3718 office  
(678) 230-4346 cell  
(770) 664-3882 fax



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# Scientific Games International, Inc. Request for Qualifications (RFQ)

## Travel Agency Services

01/05/12

### 1. Introduction

#### 1.1 Background

Scientific Games Corporation (Scientific Games or SG) is a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers. The Company's products and products include instant lottery games, lottery gaming systems, terminals and products, and Internet applications, as well as server-based interactive gaming machines and associated gaming control systems. SG is divided into three business segments: Printed Products Group, Lottery Systems Group and Diversified Gaming Group. Printed Products Group is a provider of instant lottery tickets in the world. The Company's Lottery Systems Group is a provider of customized computer software, software support, equipment and data communication products to lotteries. Its Diversified Gaming Group provides products and systems to private and public operators in the wide area gaming industry.

#### 1.2 Intent & Objective of the RFQ

The intent & objective of this RFQ is to identify capable, qualified, experienced and cost competitive suppliers including certified Historically Underutilized Businesses (HUB's) in the state of Texas who can provide *Travel Agency Services* contingent upon SG being awarded a contract under Texas Lottery RFP 362-12-0001. SG is requesting proposals for these products and if awarded the Texas Lottery Commission (TLC) contract, SG will then proceed with finalizing an award of this RFQ.

SG may award one or more Subcontracts as a result of this procurement. Following notification of award and subsequent successful negotiation if required, SG intends to enter into a Subcontract with the Successful Bidder(s) and the Successful Bidder(s) will then be a Subcontractor to SG.

### 2. Scope

#### 2.1 Scope

The information below is intended to give the Supplier an idea of the overall scope required as part of this RFQ. SG will further refine its needs prior to award and communicate those to selected Supplier(s).

**Service Requirements:** Selected suppliers are expected to perform *Travel Agency Services* for SG to include providing persons affiliated with Scientific Games with reservation and ticket booking services for official domestic travel. Scientific Games expects the selected travel services provider to be able to leverage its consolidated buying power to obtain optimum airline, car rental and hotel discounts.

### Instructions to Suppliers

#### 2.3 RFQ Responses & Submission of Proposals

##### A. Suppliers should submit:

- An email to SG Contact indicated in Section 3.3 by the RFQ deadline, with the electronic proposal as an attachment

**B. Proposals must include the following:**

- Completed Appendix A – Qualitative Questions
- Completed Appendix B – Proposal Response
- Attach Supporting Documentation for the above

**2.4 RFQ Process and Timing**

The timeline for this RFQ process is aggressive; proposals are due by COB on the date listed below. SG in its sole discretion may enter into contract negotiations/discussions with the Supplier(s) who submit proposals found to best meet the needs of this initiative.

Potential Suppliers are advised to review all sections of this RFQ carefully and to follow instructions completely, failure to make a complete submission as described elsewhere herein may result in rejection of the proposal and disqualification of the Supplier from further participation.

Proposals that depart from or materially alter the terms, requirements, or scope of work defined by this RFQ may be rejected for being non-responsive.

**Table 3.2 Key RFQ Dates:**

Activity	Date
RFQ sent out to suppliers	January 5, 2012
Supplier Response Deadline	January 17, 2012 – 5pm CST
Supplier Selection – Notice of Intent to Award <ul style="list-style-type: none"> <li>• Contract contingent upon TLC RFP Award, SG Compliance Review and mutual acceptance of Terms &amp; Conditions</li> </ul>	January 19, 2012

**2.5 Communications, Inquiries and Questions**

Your interest in working with SG is welcomed; however, SG will only answer submitted questions if SG solely determines the question is critical to the success of the RFQ process. Responses will be circulated to all bidders. During the period from your company’s receipt of this RFQ until a contract is awarded, ANY and ALL communication, including questions, concerning this RFQ should ONLY be directed to the RFQ Administrator specified below.

Contact: Lissa Owens  
Scientific Games  
Procurement Department

Email: lissa.owens@scientificgames.com

Phone: (770) 664-3718

When submitting an e-mail, please include the RFQ NAME and your company name in the subject heading of the message. Inquiries should make specific reference to the sections and page numbers from this RFQ, where applicable.

**3. RFQ Terms and Conditions**

It is consented that by submitting a proposal, the Supplier is in agreement with the following RFQ terms and conditions. If there is an objection to these terms, the Supplier must note those objections in their response.

**3.1 Contracting Period**

- A contract will be contingent upon;
- SG being awarded the Texas Lottery contract referenced in this RFQ
  - Selected suppliers passing SG’s internal Compliance with Law and Background Screening
  - SG and Supplier mutually agreeing upon Terms and Conditions

The contracted products are anticipated to begin in *July 1, 2012*. All awarded subcontracting opportunities are for one (1) year with options to renew.

### **3.2 Invoicing and Payment Processing**

Invoice charges must match agreed-upon contract pricing. All invoices should show all applicable charges. Invoices should have capability to be submitted in both printed form and Electronic Data Interchange (EDI) or Internet standard formats. Invoices shall be paid by SG thirty (30) days after receipt. In the event of a legitimate dispute with regard to errors on an invoice, SG has the right to withhold payment of any disputed amount on such invoice while the parties attempt to resolve the disputed amount in accordance with the dispute resolution procedures specified in the contract.

### **3.3 Duration and Availability of Proposed Prices**

The prices, terms and conditions specified in the Supplier's proposal must be valid for a period of one hundred twenty (120) days from the due date of the proposals. Once a contract is signed, the prices must remain valid for the term of that contract and any subsequent extension(s); unless SG agrees in writing that the pricing should be modified.

### **3.4 Statement of Non-Commitment**

This RFQ is not an offer to enter into an agreement with any Supplier; it is a request to receive proposals from Suppliers interested in providing SG products and products specified within. SG reserves the right to reject all proposals, in whole or in part, and/or enter into discussions with any party to provide such products. SG will not have any obligation to the Supplier unless and until it has entered into a written agreement with the Supplier on terms and conditions satisfactory to SG. SG entering into negotiations with the Supplier with respect to any proposal or otherwise shall not be deemed to be an acceptance of such proposal or an agreement with the Supplier. Supplier-specific information (such as names, contact information, or pricing data) is used solely for Supplier selection on behalf of SG.

### **3.5 Supplier Demonstration of Proposed Capabilities, Products and/or Products**

At the discretion of SG, the Supplier must be prepared to provide any evidence of experience, performance, ability, and/or financial surety that SG deems necessary to fully establish the performance capabilities represented in their proposal. Any required confirmation must be provided in writing to SG without cost to SG.

### **3.6 Ownership of Proposals**

Proposals and any other materials submitted by a Bidder in response to this RFQ will become the exclusive property of SG upon receipt and will not be returned.

### **3.7 Execution of Contract**

Once the evaluation of the proposals and the Supplier selection are complete, the selected proposal(s), if any, and this RFQ will serve as the basis for a contract that will be negotiated and executed between SG and the selected Supplier(s). This RFQ and the proposal will likely be attached to the contract as exhibits.

### **3.8 Oral Agreements or Arrangements**

Any alleged oral agreements or arrangements made by the Supplier with any SG agent or employee will be disregarded in any proposal evaluation or associated award.

### **3.9 Independent Price Determinants**

The Supplier shall warrant, represent, and certify that the following requirements have been met in connection with their proposal for this RFQ:

The prices proposed have been arrived at independently, without consultation, communication, or agreement for the purpose of restricting competition as to any matter relating to such process with any other organization or with any competitor; unless otherwise required by law, the pricing proposed has not been knowingly disclosed by the Supplier on a prior basis directly or indirectly to any other organization or to any competitor; and no attempt has been made, or will be made, by the proposed to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

### **3.10 Payments Against a Contract Award**

Under no circumstances shall the successful Supplier begin to perform under a contract prior to the effective date of such contract. SG shall assume no liability for payments under the terms of the contract until the successful Supplier is notified that the contract has been accepted by SG. In no case shall a successful Supplier bill SG prices in excess of the price indicated in the final contract agreed to and accepted by SG. Any authorized or agreed additional charges can only be approved for payment by means of an amendment to the contract.

### **3.11 No SG Liability for Proposal Costs**

SG is not liable for any costs incurred by Bidders as a result of responding to this RFQ.

### **3.12 Proposal Disclosure Prohibition**

Disclosure of Proposal contents by a Bidder to any third party prior to Subcontract Award in this procurement may result in disqualification.

### **3.13 Conflict of Interest**

A Bidder shall not give money or any other thing of value to members of SG's evaluation committee or to any employee of SG.

### **3.14 Approval of Subcontract**

The Texas Department of Revenue, Lottery Division, retains the right to approve each Subcontractor. Such approval shall not be unreasonably withheld.

### **3.15 Probity Investigations of Subcontractor**

The Texas Department of Revenue, Lottery Division, shall have the right to conduct probity investigations of any Subcontractor prior to and during the term of its Subcontract with SG.

### **3.16 SG' Right to Audit and Access to Records, Record Keeping and Record Transfer**

The Supplier shall prepare, maintain and preserve all records with respect to the administration of this program. During the term of the contract, SG shall have access during normal business hours to all such records, in whatever form they exist or are stored. The Supplier shall afford the officers, attorneys, accountants, auditors, and other authorized representatives of SG free and full access to the records to be maintained by the Supplier pertinent to the RFQ.

At the option of SG, periodic audits may, at reasonable times, be made of the successful Suppliers' and all of their sub-contractors' books and records insofar as they pertain to the contract. Such audits shall be made at SG's expense by SG, or independent public accountants designated by SG. Said books and records shall be made available by the Supplier to the Auditors of SG. In the case that any discrepancy or breach of contract is discovered, all auditing expenses will be charged to the Supplier in addition to any legal settlements.

### **3.17 Confidentiality and Care of Data**

The Supplier agrees to protect the confidentiality of any files, data or other materials pertaining to this RFQ and any resulting contract and to restrict their use solely for the purpose of completing this RFQ or fulfilling a resulting contract. The Supplier shall take all steps necessary to safeguard data, files, reports or other information from loss, destruction or erasure. Any costs or expenses of replacing or damages resulting from the loss of such data shall be borne by the Supplier when such loss or damage occurred through its negligence.

### **3.18 Compliance with Law and Background Screening**

Supplier specifically acknowledges that SG is subject to the gaming and licensing requirements of various jurisdictions and is obliged to take reasonable efforts to determine the suitability of its business associates. Supplier agrees to cooperate fully with SG in providing it with any information, of whatever nature, that SG deems necessary or appropriate in assuring itself that Supplier possesses the good character, honesty, integrity, and reputation applicable to those engaged in the gaming industry and Supplier specifically represents that there is nothing in Supplier's background, history, or reputation that would be deemed unsuitable under the standards applicable to the gaming industry. If, during the term of any Agreement, SG is notified by any regulatory agency that the conduct of business with Supplier will jeopardize SG, or its affiliates', license or ability to be licensed or if SG concludes that Supplier fails to meet the above criteria, this Agreement shall terminate upon written notice by SG.

In addition, by responding to this RFQ Supplier represents and warrants, and, if selected shall be expected to provide representations and warranties in any contract entered into between the parties concerning, compliance with all laws, including but not limited to, applicable anti-corruption, competition, licensing, and registration laws, including the Foreign Corrupt Practices Act (FCPA); and with any applicable laws, regulations, and administrative requirements promulgated under the OECD Convention on Combating Bribery of Foreign Public Officials; and other similar representations and warranties.

Individual Supplier employees or subcontractors assigned to perform products at or on behalf of Supplier and who are to be granted (a) unescorted physical access rights to any Supplier's facility (as determined by SG), or (b) any local or remote network access rights, must submit to and pass SG standard state and federal felony and misdemeanor records screening. Screening shall include social security verification and corresponding information attached to the social security number. County and or municipal checks shall be conducted as required or to further obtain charge or case specifics and determine eligibility for work. Certain Products performed by Supplier may also require credit history screening and or national records screening via fingerprint card applications sent to the FBI/DOJ for processing as dictated by SG' customer contract requirements. Follow up searches may be conducted annually thereafter.



## Appendix A: Qualitative Questions

All respondents must answer questions 1-8 in the table below. Please enter your responses using as much space as necessary.

No.	Question	Response
1	Provide the official contact person (including name, phone, fax, e-mail address) with whom SG shall communicate regarding this RFQ.	
2	Provide your Texas Payee ID or Federal ID Number	
3	Confirm your company status as either a; certified HUB in the state of Texas, or a Minority or Woman Trade Organization. <u>Attach valid certificates and/or supporting documentation.</u>	
4	Indicate whether your firm has been or is the subject of a bankruptcy or insolvency proceeding or subject of assignment for benefit of creditors.	
5	Please provide a brief background on your company, including information on how long your company has been in business, ownership structure, location of your offices, and number of employees.	
6	Please confirm you have the State licenses, permits, certificates and authorizations needed to provide these products.	
7	<p>Supply a minimum of two (2) references that will attest to your ability (in the last three years) to provide products similar in scope to those outlined. For each reference, provide the following information:</p> <ul style="list-style-type: none"> <li>• The client organization's name, mailing address, contact name, telephone number and email address</li> <li>• The approximate period during which the products were provided</li> <li>• A summary of the type, quantity, and scope of services</li> </ul>	
8	Provide examples of types of E&O insurance placements performed in the past and the Insurance companies used.	

**Appendix B: Proposal Response**

No.	QUESTION	RESPONSE
1	Indicate your years of experience providing travel management services to business or corporate clients.	
2	List the services or features in which your company is unique in the travel industry.	
3	Describe your agency's method to provide information to travelers relative to lodging availability, costs and making reservations if requested.	
4	List and describe any preferred car rental vendor relationship.	
5	Describe your agency's method to provide low fare offerings.	
6	Describe your agency's method and ability to handle and make travel arrangements for group traveling.	

**PRICING STRUCTURE**

ITEM	DESCRIPTION OF SERVICES REQUIRED	DESCRIBE PROPOSED PRICING METHOD	ANNUAL FEE (\$) AND/OR PERCENTAGE (%)
1	Travel Management Services		
	<b>TOTAL PRICE</b>		

Company Name	Date
Contact Name	Signature



**TEXAS LOTTERY  
COMMISSION**

**Auditing Services**



# HSP Good Faith Effort - Method B (Attachment B)

(Rev. 10/11)

Enter your company's name here: Scientific Games

Requisition #: 362-12-0001

**IMPORTANT:** If you responded "No" to SECTION 2, Items c and d of the completed HSP form, you must submit a completed "HSP Good Faith Effort - Method B (Attachment B)" for each of the subcontracting opportunities you listed in SECTION 2, Item b of the completed HSP form. You may photo-copy this page or download the form at <http://www.window.state.tx.us/procurement/prog/hub/hub-forms/HUBSubcontractingPlanAttachment-B.doc>

## SECTION B-1 SUBCONTRACTING OPPORTUNITY

Enter the item number and description of the subcontracting opportunity you listed in SECTION 2, Item b, of the completed HSP form for which you are completing this attachment.

Item #: 11 Description: Auditing Services

## SECTION B-2 MENTOR PROTÉGÉ PROGRAM

If respondent is participating as a Mentor in a State of Texas Mentor Protégé Program, submitting its Protégé (Protégé must be a State of Texas certified HUB) as a subcontractor to perform the subcontracting opportunity listed in SECTION B-1, constitutes a good faith effort to subcontract with a Texas certified HUB towards that specific portion of work.

Check the appropriate box (Yes or No) that indicates whether you will be subcontracting the portion of work you listed in SECTION B-1 to your Protégé.

- Yes (If Yes, to continue to SECTION B-4.)  
 - No / Not Applicable (If No or Not Applicable, continue to SECTION B-3.)

## SECTION B-3 NOTIFICATION OF SUBCONTRACTING OPPORTUNITY

When completing this section you **MUST** comply with items a, b, c and d, thereby demonstrating your Good Faith Effort of having notified Texas certified HUBs and minority or women trade organizations or development centers about the subcontracting opportunity you listed in SECTION B-1. Your notice should include the scope of work, information regarding the location to review plans and specifications, bonding and insurance requirements, required qualifications, and identify a contact person.

When sending notice of your subcontracting opportunity, you are encouraged to use the attached HUB Subcontracting Opportunity Notice form, which is also available online at <http://www.window.state.tx.us/procurement/prog/hub/hub-subcontracting-plan/>

Retain supporting documentation (i.e., certified letter, fax, e-mail) demonstrating evidence of your good faith effort to notify the Texas certified HUBs and minority or women trade organizations or development centers.

- Provide written notification of the subcontracting opportunity you listed in SECTION B-1, to three (3) or more Texas certified HUBs. Unless the contracting agency specified a different time period, you must allow the HUBs at least seven (7) working days to respond to the notice prior to your submitting your bid response to the contracting agency. When searching for Texas certified HUBs, ensure that you use the State of Texas' Centralized Master Bidders List (CMBL) and Historically Underutilized Business (HUB) Search directory located at <http://www.window.state.tx.us/procurement/cmb/cmbhub.html>. HUB Status code "A" signifies that the company is a Texas certified HUB.
- List the three (3) Texas certified HUBs you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the company's Vendor ID (VID) number, the date you sent notice to that company, and indicate whether it was responsive or non-responsive to your subcontracting opportunity notice.

Company Name	VID #	Date Notice Sent (mm/dd/yyyy)	Did the HUB Respond?
Adriana Buford CPA, LLC	1943442384400	01 / 05 / 12	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No
Garza/Gonzalez & Associates	1741867466300	01 / 05 / 12	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No
Kelly K Marsh CPA	1274461176000	01 / 05 / 12	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No

- Provide written notification of the subcontracting opportunity you listed in SECTION B-1 to minority or women trade organizations or development centers to assist in identifying potential HUBs by disseminating the subcontracting opportunity to their members/participants. Unless the contracting agency specified a different time period, you must provide your subcontracting opportunity notice to minority or women trade organizations or development centers at least seven (7) working days prior to submitting your bid response to the contracting agency.

A list of trade organizations and development centers that have expressed an interest in receiving notices of subcontracting opportunities is available on the Statewide HUB Program's webpage at <http://www.window.state.tx.us/procurement/prog/hub/mwb-links-1/>

- Enter the name of the minority or women trade organizations or development centers you notified regarding the subcontracting opportunity you listed in SECTION B-1. Include the date when you sent notice to it and indicate if it accepted or rejected your notice.

Minority/Women Trade Organizations or Development Centers	Date Notice Sent (mm/dd/yyyy)	Was the Notice Accepted?
Women's Business Enterprise Alliance	01 / 05 / 12	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No
Southwest Minority Supplier Development	01 / 05 / 12	<input checked="" type="checkbox"/> - Yes <input type="checkbox"/> - No

# HSP Good Faith Effort - Method B (Attachment B) *Cont.*

Enter your company's name here: Scientific Games Requisition #: 362-12-0001

## SECTION B-4 SUBCONTRACTOR SELECTION

a. List the subcontractor(s) you selected to perform the subcontracting opportunity you listed in SECTION B-1. Also identify whether they are a Texas Certified HUB and their VID number, the approximate dollar value of the work to be subcontracted, the expected percentage of work to be subcontracted, and indicate whether the company is a Texas certified HUB.

Company Name	Texas Certified HUB	VID # <small>(Required if Texas Certified HUB)</small>	Approximate Dollar Amount	Expected Percentage of Contract
Deloitte	<input type="checkbox"/> - Yes <input checked="" type="checkbox"/> - No		\$20,000	.40%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%
	<input type="checkbox"/> - Yes <input type="checkbox"/> - No		\$	%

b. If any of the subcontractors you have selected to perform the subcontracting opportunity you listed in SECTION B-1 is **not** a Texas certified HUB, provide written justification for your selection process (attach additional page if necessary):

Scientific Games selected the vendor, Deloitte, based on their ability to provide SG with the best overall value.

**REMINDER:** As specified in SECTION 4 of the completed HSP form, if you (respondent) are awarded any portion of the requisition, you are required to provide notice as soon as practical to **all** the subcontractors (HUBs and Non-HUBs) of their selection as a subcontractor. The notice must specify at a minimum the contracting agency's name and its point of contact for the contract, the contract award number, the subcontracting opportunity it (the subcontractor) will perform, the approximate dollar value of the subcontracting opportunity and the expected percentage of the total contract that the subcontracting opportunity represents. A copy of the notice required by this section must also be provided to the contracting agency's point of contact for the contract no later than ten (10) working days after the contract is awarded.

# KELLY K MARSH CPA

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CMBL/HUB Vendor Detail	
Vendor ID / Number:	1274461176000 / 472797
HUB Status:	A (HUB on CMBL)
HUB Expire Date:	07-DEC-15
Vendor Name:	KELLY K MARSH CPA
Vendor Address:	708 TANGLEWOOD DR WHITE OAK, TX 75693 USA
County:	GREGG
Contact:	KELLY MARSH
Phone / Fax:	903-261-3425 /
Email Address:	[REDACTED]
Ethnicity / Gender:	WO / F
Business Description:	CPA offering tax, accounting and consulting services.
Business Category:	FINANCIAL AND ACCOUNTING SERVICES (04)
Small Business:	Y
CMBL Expire Date:	26-OCT-12

Comptroller's Tax Status This Vendor

Comptroller Lookup Any Vendor

Vendor Performance	Score	# of POs
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:	<u>0</u>	<u>0</u>
Exceptional Performance Reports:	<u>0</u>	

Class-Item   Commodity Description ( <i>bold for all items in class</i> )	
946	<b>FINANCIAL SERVICES</b>
946-11	Accounting Services (Not Otherwise Classified)
946-20	Auditing
946-31	Certified Public Accountant (CPA) Services
946-82	Tax Services (Including Tax Preparation, Advisory Services, etc.)
commodity items shown for class 946 are available for the districts: 10,11,18,19	

See the [CMBL Information Page](#) for information on updates. Contact CPA by email at [e.cmb1@cpa.state.tx.us](mailto:e.cmb1@cpa.state.tx.us).

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# ADRIANA BUFORD CPA, LLC

CMBL/HUB Vendor Detail	
Vendor ID / Number:	1943442384400 / 57333
HUB Status:	A (HUB on CMBL)
HUB Expire Date:	12-FEB-13
Vendor Name:	ADRIANA BUFORD CPA, LLC
Vendor Address:	4106 CAT MOUNTAIN DR AUSTIN, TX 78731 USA
County:	TRAVIS
Contact:	Adriana Buford
Phone / Fax:	512-826-0626 / 512-476-8624
Email Address:	[REDACTED]
Ethnicity / Gender:	HI / F
Business Description:	CONSULTING SERVICES - Accounting/Auditing/Budget, Internal Controls/Risk management/establishment and assessment of internal controls
Business Category:	FINANCIAL AND ACCOUNTING SERVICES (04)
Small Business:	Y
CMBL Expire Date:	25-OCT-12

Comptroller's Tax Status This Vendor

Comptroller Lookup Any Vendor

Vendor Performance	Score	# of POs
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:	<u>0</u>	<u>0</u>
Exceptional Performance Reports:	<u>0</u>	

Class-Item   Commodity Description ( <i>bold for all items in class</i> )	
918	<b>*CONSULTING SERVICES</b>
918-4	Accounting/Auditing/Budget Consulting
918-12	Analytical Studies and Surveys (Consulting)
918-52	Food Service Consulting



918-58	Governmental Consulting
918-69	Insurance Consulting
918-75	Management Consulting
918-83	Organizational Development Consulting
918-88	Quality Assurance/Control Consulting
	commodity items shown for class 918 are available for the districts: 1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,18,19,20,21,22,23,24,25
946	<i>FINANCIAL SERVICES</i>
946-11	Accounting Services (Not Otherwise Classified)
946-20	Auditing
946-31	Certified Public Accountant (CPA) Services
	commodity items shown for class 946 are available for the districts: 1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,18,19,20,21,22,23,24,25
958	<i>*MANAGEMENT SERVICES</i>
958-66	Lottery Management Services
	commodity items shown for class 958 are available for the districts: 1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,18,19,20,21,22,23,24,25

See the [CMBL Information Page](#) for information on updates. Contact CPA by email at [e.cmbll@cpa.state.tx.us](mailto:e.cmbll@cpa.state.tx.us).



# GARZA/GONZALEZ & ASSOCIATES

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CMBL/HUB Vendor Detail	
Vendor ID / Number:	1741867466300 / 33859
HUB Status:	A (HUB on CMBL)
HUB Expire Date:	13-MAR-13
Vendor Name:	GARZA/GONZALEZ & ASSOCIATES
Vendor Address:	207 ARDEN GROVE SAN ANTONIO, TX 78215
County:	BEXAR
Contact:	Rene E.Gonzalez, CPA Senior Partner
Phone / Fax:	210-227-1389 / 210-227-0716
Email Address:	[REDACTED]
Ethnicity / Gender:	HI / M
Business Description:	Accounting, Auditing and Consulting Firm
Business Category:	FINANCIAL AND ACCOUNTING SERVICES (04)
Small Business:	Y
CMBL Expire Date:	14-APR-12

Comptroller's Tax Status This Vendor

Comptroller Lookup Any Vendor

Vendor Performance	Score	# of POs
Commodity Delivery:	* —	0
Commodity Performance:	* —	0
Service Delivery:	* —	0
Service Performance:	* —	0
<b>Non-Scored Reports:</b>	<b>Satisfactory</b>	<b>Unsatisfactory</b>
Delegated, Exempt, and Blanket POs:	<u>0</u>	<u>0</u>
Exceptional Performance Reports:	<u>0</u>	

Class-Item   Commodity Description (bold for all items in class)	
918	<i>*CONSULTING SERVICES</i>
918-4	Accounting/Auditing/Budget Consulting
commodity items shown for class 918 are available for the districts: 1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,18,19,20,21,22,23,24,25	
946	<i>FINANCIAL SERVICES</i>
946-10	Accounting and Billing Services (Including Payroll Services, 3rd Party Reimbursement for Medicare, Medicaid, Private Insurance, etc)

946-11	Accounting Services (Not Otherwise Classified)
946-20	Auditing
946-48	Financial Advisor
commodity items shown for class 946 are available for the districts: 1,2,3,4,5,6,7,8,9,10,11,12,13,14,15,16,17,18,19,20,21,22,23,24,25	

See the [CMBL Information Page](#) for information on updates. Contact CPA by email at [e.cmb1@cpa.state.tx.us](mailto:e.cmb1@cpa.state.tx.us).

## Owens, Lissa

---

**From:** System Administrator [postmaster@cont.scientificgames.com]  
**Sent:** Thursday, January 05, 2012 2:52 PM  
**To:** Owens, Lissa  
**Subject:** Relay report: 2.0.2 (Message relayed)  
**Attachments:** delivery-status.txt; message-header.txt; Scientific Games Auditing Services Bid Opportunity - 1/5/12

### Your message

**From:** Owens, Lissa <Lissa.Owens@scientificgames.com>  
**To:** Owens, Lissa <Lissa.Owens@scientificgames.com>  
**Subj:** Scientific Games Auditing Services Bid Opportunity - 1/5/12  
**Sent:** 2012-01-05 14:51

was relayed to the following recipient(s):



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Unfortunately, the remote mail system does not support confirmation of actual delivery. Unless the final delivery fails, this will be the only delivery status notification sent.

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Owens, Lissa

---

From: Maggie Trevino [REDACTED]  
Sent: Thursday, January 05, 2012 3:15 PM  
Subject: Read: Scientific Games Auditing Services Bid Opportunity - 1/5/12

Your message

To: [REDACTED]  
Subject:

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was read on 1/5/2012 3:15 PM.



You forwarded this message on 1/5/2012 2:54 PM.

From: Owens, Lissa Sent: Thu 1/5/2012 2:51 PM  
To: Owens, Lissa  
Cc: [REDACTED] Tx. Gov't Code  
\$552.137  
Subject: Scientific Games Auditing Services Bid Opportunity - 1/5/12

Message TX Lottery - Auditing Services RFQrev.docx (110 KB)

Scientific Games, a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers is sourcing qualified, certified HUB's in the state of Texas who can provide the following products and/or services pending a contract award of the Texas Lottery RFP 362-12-0001:

- Auditing Services

Please see the attached RFQ (Request for Quotation) and, if interested, provide your response by the deadline of January 17<sup>th</sup>, 2012 – 5:00pm CST (Central Standard Time).

Contact me should you have any questions concerning this solicitation.

Thank you.

*Lissa J. Owens*  
Sr. Buyer & Diversity Program Manager  
Scientific Games  
(770) 664-3718 office  
(678) 230-4346 cell  
(770) 664-3882 fax



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# Scientific Games International, Inc. Request for Qualifications (RFQ)

## Auditing Services

01/05/12

### 1. Introduction

#### 1.1 Background

Scientific Games Corporation (Scientific Games or SG) is a global supplier of solutions to lottery and gaming organizations worldwide with over 120 national and international customers. The Company's products and products include instant lottery games, lottery gaming systems, terminals and products, and Internet applications, as well as server-based interactive gaming machines and associated gaming control systems. SG is divided into three business segments: Printed Products Group, Lottery Systems Group and Diversified Gaming Group. Printed Products Group is a provider of instant lottery tickets in the world. The Company's Lottery Systems Group is a provider of customized computer software, software support, equipment and data communication products to lotteries. Its Diversified Gaming Group provides products and systems to private and public operators in the wide area gaming industry.

#### 1.2 Intent & Objective of the RFQ

The intent & objective of this RFQ is to identify capable, qualified, experienced and cost competitive suppliers including certified Historically Underutilized Businesses (HUB's) in the state of Texas who can provide *Auditing Services* contingent upon SG being awarded a contract under Texas Lottery RFP 362-12-0001. SG is requesting proposals for these products and if awarded the Texas Lottery Commission (TLC) contract, SG will then proceed with finalizing an award of this RFQ.

SG may award one or more Subcontracts as a result of this procurement. Following notification of award and subsequent successful negotiation if required, SG intends to enter into a Subcontract with the Successful Bidder(s) and the Successful Bidder(s) will then be a Subcontractor to SG.

### 2. Scope

#### 2.1 Scope

The information below is intended to give the Supplier an idea of the overall scope required as part of this RFQ. SG will further refine its needs prior to award and communicate those to selected Supplier(s).

**Service Requirements:** Selected suppliers are expected to perform *Auditing Services* for SG to include auditing 30-40 Instant Ticket games per year for the Texas Lottery. Performance requirements are defined in Appendix B.

### Instructions to Suppliers

#### 2.3 RFQ Responses & Submission of Proposals

##### A. Suppliers should submit:

- An email to SG Contact indicated in Section 3.3 by the RFQ deadline, with the electronic proposal as an attachment

##### B. Proposals must include the following:

- Completed Appendix A – Qualitative Questions

- Completed Appendix B – Proposal Response
- Attach Supporting Documentation for the above

## 2.4 RFQ Process and Timing

The timeline for this RFQ process is aggressive; proposals are due by COB on the date listed below. SG in its sole discretion may enter into contract negotiations/discussions with the Supplier(s) who submit proposals found to best meet the needs of this initiative.

Potential Suppliers are advised to review all sections of this RFQ carefully and to follow instructions completely, failure to make a complete submission as described elsewhere herein may result in rejection of the proposal and disqualification of the Supplier from further participation.

Proposals that depart from or materially alter the terms, requirements, or scope of work defined by this RFQ may be rejected for being non-responsive.

**Table 3.2 Key RFQ Dates:**

Activity	Date
RFQ sent out to suppliers	January 5, 2012
Supplier Response Deadline	January 17, 2012 – 5pm CST
Supplier Selection – Notice of Intent to Award <ul style="list-style-type: none"> <li>• Contract contingent upon TLC RFP Award, SG Compliance Review and mutual acceptance of Terms &amp; Conditions</li> </ul>	January 19, 2012

## 2.5 Communications, Inquiries and Questions

Your interest in working with SG is welcomed; however, SG will only answer submitted questions if SG solely determines the question is critical to the success of the RFQ process. Responses will be circulated to all bidders. During the period from your company's receipt of this RFQ until a contract is awarded, ANY and ALL communication, including questions, concerning this RFQ should ONLY be directed to the RFQ Administrator specified below.

Contact: Lissa Owens  
 Scientific Games  
 Procurement Department  
 Email: lissa.owens@scientificgames.com  
 Phone: (770) 664-3718

When submitting an e-mail, please include the RFQ NAME and your company name in the subject heading of the message. Inquiries should make specific reference to the sections and page numbers from this RFQ, where applicable.

## 3. RFQ Terms and Conditions

It is consented that by submitting a proposal, the Supplier is in agreement with the following RFQ terms and conditions. If there is an objection to these terms, the Supplier must note those objections in their response.

### 3.1 Contracting Period

A contract will be contingent upon;

- SG being awarded the Texas Lottery contract referenced in this RFQ
- Selected suppliers passing SG's internal Compliance with Law and Background Screening
- SG and Supplier mutually agreeing upon Terms and Conditions

The contracted products are anticipated to begin in **July 1, 2012**. All awarded subcontracting opportunities are for one (1) year with options to renew.

### 3.2 Invoicing and Payment Processing

Invoice charges must match agreed-upon contract pricing. All invoices should show all applicable charges. Invoices should have capability to be submitted in both printed form and Electronic Data Interchange (EDI) or Internet standard formats. Invoices shall be paid by SG thirty (30) days after receipt. In the event of a legitimate dispute with regard to errors on an invoice, SG has the right to withhold payment of any disputed amount on such invoice while the parties attempt to resolve the disputed amount in accordance with the dispute resolution procedures specified in the contract.

### **3.3 Duration and Availability of Proposed Prices**

The prices, terms and conditions specified in the Supplier's proposal must be valid for a period of one hundred twenty (120) days from the due date of the proposals. Once a contract is signed, the prices must remain valid for the term of that contract and any subsequent extension(s); unless SG agrees in writing that the pricing should be modified.

### **3.4 Statement of Non-Commitment**

This RFQ is not an offer to enter into an agreement with any Supplier; it is a request to receive proposals from Suppliers interested in providing SG products and products specified within. SG reserves the right to reject all proposals, in whole or in part, and/or enter into discussions with any party to provide such products. SG will not have any obligation to the Supplier unless and until it has entered into a written agreement with the Supplier on terms and conditions satisfactory to SG. SG entering into negotiations with the Supplier with respect to any proposal or otherwise shall not be deemed to be an acceptance of such proposal or an agreement with the Supplier. Supplier-specific information (such as names, contact information, or pricing data) is used solely for Supplier selection on behalf of SG.

### **3.5 Supplier Demonstration of Proposed Capabilities, Products and/or Products**

At the discretion of SG, the Supplier must be prepared to provide any evidence of experience, performance, ability, and/or financial surety that SG deems necessary to fully establish the performance capabilities represented in their proposal. Any required confirmation must be provided in writing to SG without cost to SG.

### **3.6 Ownership of Proposals**

Proposals and any other materials submitted by a Bidder in response to this RFQ will become the exclusive property of SG upon receipt and will not be returned.

### **3.7 Execution of Contract**

Once the evaluation of the proposals and the Supplier selection are complete, the selected proposal(s), if any, and this RFQ will serve as the basis for a contract that will be negotiated and executed between SG and the selected Supplier(s). This RFQ and the proposal will likely be attached to the contract as exhibits.

### **3.8 Oral Agreements or Arrangements**

Any alleged oral agreements or arrangements made by the Supplier with any SG agent or employee will be disregarded in any proposal evaluation or associated award.

### **3.9 Independent Price Determinants**

The Supplier shall warrant, represent, and certify that the following requirements have been met in connection with their proposal for this RFQ:

The prices proposed have been arrived at independently, without consultation, communication, or agreement for the purpose of restricting competition as to any matter relating to such process with any other organization or with any competitor; unless otherwise required by law, the pricing proposed has not been knowingly disclosed by the Supplier on a prior basis directly or indirectly to any other organization or to any competitor; and no attempt has been made, or will be made, by the proposed to induce any other person or firm to submit or not to submit a proposal for the purpose of restricting competition.

### **3.10 Payments Against a Contract Award**

Under no circumstances shall the successful Supplier begin to perform under a contract prior to the effective date of such contract. SG shall assume no liability for payment s under the terms of the contract until the successful Supplier is notified that the contract



has been accepted by SG. In no case shall a successful Supplier bill SG prices in excess of the price indicated in the final contract agreed to and accepted by SG. Any authorized or agreed additional charges can only be approved for payment by means of an amendment to the contract.

### **3.11 No SG Liability for Proposal Costs**

SG is not liable for any costs incurred by Bidders as a result of responding to this RFQ.

### **3.12 Proposal Disclosure Prohibition**

Disclosure of Proposal contents by a Bidder to any third party prior to Subcontract Award in this procurement may result in disqualification.

### **3.13 Conflict of Interest**

A Bidder shall not give money or any other thing of value to members of SG's evaluation committee or to any employee of SG.

### **3.14 Approval of Subcontract**

The Texas Department of Revenue, Lottery Division, retains the right to approve each Subcontractor. Such approval shall not be unreasonably withheld.

### **3.15 Probity Investigations of Subcontractor**

The Texas Department of Revenue, Lottery Division, shall have the right to conduct probity investigations of any Subcontractor prior to and during the term of its Subcontract with SG.

### **3.16 SG' Right to Audit and Access to Records, Record Keeping and Record Transfer**

The Supplier shall prepare, maintain and preserve all records with respect to the administration of this program. During the term of the contract, SG shall have access during normal business hours to all such records, in whatever form they exist or are stored. The Supplier shall afford the officers, attorneys, accountants, auditors, and other authorized representatives of SG free and full access to the records to be maintained by the Supplier pertinent to the RFQ.

At the option of SG, periodic audits may, at reasonable times, be made of the successful Suppliers' and all of their sub-contractors' books and records insofar as they pertain to the contract. Such audits shall be made at SG's expense by SG, or independent public accountants designated by SG. Said books and records shall be made available by the Supplier to the Auditors of SG. In the case that any discrepancy or breach of contract is discovered, all auditing expenses will be charged to the Supplier in addition to any legal settlements.

### **3.17 Confidentiality and Care of Data**

The Supplier agrees to protect the confidentiality of any files, data or other materials pertaining to this RFQ and any resulting contract and to restrict their use solely for the purpose of completing this RFQ or fulfilling a resulting contract. The Supplier shall take all steps necessary to safeguard data, files, reports or other information from loss, destruction or erasure. Any costs or expenses of replacing or damages resulting from the loss of such data shall be borne by the Supplier when such loss or damage occurred through its negligence.

### **3.18 Compliance with Law and Background Screening**

Supplier specifically acknowledges that SG is subject to the gaming and licensing requirements of various jurisdictions and is obliged to take reasonable efforts to determine the suitability of its business associates. Supplier agrees to cooperate fully with SG in providing it with any information, of whatever nature, that SG deems necessary or appropriate in assuring itself that Supplier possesses the good character, honesty, integrity, and reputation applicable to those engaged in the gaming industry and Supplier specifically represents that there is nothing in Supplier's background, history, or reputation that would be deemed unsuitable under the standards applicable to the gaming industry. If, during the term of any Agreement, SG is notified by any regulatory agency that the conduct of business with Supplier will jeopardize SG, or its affiliates', license or ability to be licensed or if SG concludes that Supplier fails to meet the above criteria, this Agreement shall terminate upon written notice by SG.

In addition, by responding to this RFQ Supplier represents and warrants, and, if selected shall be expected to provide representations and warranties in any contract entered into between the parties concerning, compliance with all laws, including but not limited to, applicable anti-corruption, competition, licensing, and registration laws, including the Foreign Corrupt Practices Act

(FCPA); and with any applicable laws, regulations, and administrative requirements promulgated under the OECD Convention on Combating Bribery of Foreign Public Officials; and other similar representations and warranties.

Individual Supplier employees or subcontractors assigned to perform products at or on behalf of Supplier and who are to be granted (a) unescorted physical access rights to any Supplier's facility (as determined by SG), or (b) any local or remote network access rights, must submit to and pass SG standard state and federal felony and misdemeanor records screening. Screening shall include social security verification and corresponding information attached to the social security number. County and or municipal checks shall be conducted as required or to further obtain charge or case specifics and determine eligibility for work. Certain Products performed by Supplier may also require credit history screening and or national records screening via fingerprint card applications sent to the FBI/DOJ for processing as dictated by SG' customer contract requirements. Follow up searches may be conducted annually thereafter.

## Appendix A: Qualitative Questions

All respondents must answer questions 1-8 in the table below. Please enter your responses using as much space as necessary.

No.	Question	Response
1	Provide the official contact person (including name, phone, fax, e-mail address) with whom SG shall communicate regarding this RFQ.	
2	Provide your Texas Payee ID or Federal ID Number	
3	Confirm your company status as either a; certified HUB in the state of Texas, or a Minority or Woman Trade Organization. <u>Attach valid certificates and/or supporting documentation.</u>	
4	Indicate whether your firm has been or is the subject of a bankruptcy or insolvency proceeding or subject of assignment for benefit of creditors.	
5	Please provide a brief background on your company, including information on how long your company has been in business, ownership structure, location of your offices, and number of employees.	
6	Please confirm you have the State licenses, permits, certificates and authorizations needed to provide these products.	
7	<p>Supply a minimum of two (2) references that will attest to your ability (in the last three years) to provide products similar in scope to those outlined. For each reference, provide the following information:</p> <ul style="list-style-type: none"> <li>• The client organization's name, mailing address, contact name, telephone number and email address</li> <li>• The approximate period during which the products were provided</li> <li>• A summary of the type, quantity, and scope of services</li> </ul>	
8	Provide examples of types of E&O insurance placements performed in the past and the Insurance companies used.	

## Appendix B: Proposal Response

Please indicate whether your company has the capability to perform the following required auditing functions:

No.	MANDATORY REQUIREMENTS	YES	NO
1	For each Instant Ticket game the selected vendor (auditor) shall complete a set of agreed upon procedures that focus on a game's prize structure, programming parameters and game symbols.		
2	For each Instant Ticket game, SG will provide to the selected vendor (auditor) game specifications and game-related information/reports. The auditor shall review the information and determine if the game meets the customer's specifications.		
3	<p>For each game, the selected vendor (auditor) will issue two (2) documents to Scientific Games:</p> <ol style="list-style-type: none"> <li>1. A pre-press e-mail stating that all pre-press procedures have been completed.</li> <li>2. A post-press formal letter stating that all the agreed upon procedures have been completed. The formal letter may contain detailed specifics about the game such as the game's delivered prize structure and programming parameters.</li> </ol> <p>The due date for the completion of the pre and post-press documents will be dictated by Scientific Games. Typical required completion time for pre-press procedures is 48 hours after receipt of information to review. Weekends and holidays are usually excluded from this 48 hour completion period. Typical required completion time for post-press procedures and issuing of formal letter is one week after receipt of final game information. Completion time period for pre and post press-procedures can be modified by Scientific Games for any reason.</p>		
4	The selected vendor (auditor) shall be available for meetings and/or discussions with Scientific Games personnel or lottery customers as required by Scientific Games.		

### PRICING STRUCTURE

ITEM	DESCRIPTION OF SERVICES REQUIRED	DESCRIBE PROPOSED PRICING METHOD (i.e. FEE PER GAME, etc)	ANNUAL FEE (\$) BASED ON 40 GAMES PER YEAR
1	Auditing Services for Instant Ticket games (Note: assume 40 games per year, each requiring a pre-press and post-press audit)		
	<b>TOTAL PRICE</b>		

Company Name	Date
Contact Name	Signature