



**REPORT AND RECOMMENDATION**

*on the*

**PROPOSAL EVALUATION**

*for*

**INSTANT TICKET MANUFACTURING AND  
SERVICES**

**(RFP No. 362-12-0001)**

Prepared by the  
*Evaluation Committee*  
Issued March 12, 2012

# Report & Recommendation

## I.

### INTRODUCTION

On November 7, 2011, the Texas Lottery Commission (“Commission” or “TLC”) issued a Request for Proposals for Instant Ticket Manufacturing and Services (the “RFP”). The RFP was issued pursuant to the Commission’s authority under Texas Government Code Chapter 466 and the Commission’s rules at Title 16 Texas Administrative Code Section 401.101. The scoring matrix used in this procurement was included as Attachment G to the RFP and encompassed all of the factors required to be considered by the Evaluation Committee (the “Committee”) in evaluating proposals, as set forth in Section 401.101 of the Commission’s rules and Section 2.16 of the RFP.

## II.

### BACKGROUND: DEVELOPMENT AND ISSUANCE OF THE RFP

Prior to issuance of the RFP, the agency conducted a comprehensive review of existing operations. The objective was to develop a RFP that would meet the agency’s needs going forward, promote competition and provide best value to the State of Texas.

#### A. PREPARATION OF THE RFP

On June 29, 2011, the Commission’s Executive Director Gary Grief appointed the members of the Evaluation Committee. Michael Anger, Director of the TLC’s Lottery Operations Division, was appointed to chair the Committee, and the following persons were appointed as the other Committee members:

- Kathy Pyka – Controller, Office of the Controller
- Michael Fernandez, Director, Administration Division
- Jim Carney, Security Manager, Lottery Operations Division
- Dale Bowersock, Instant Products Coordinator, Lottery Operations Division

Each Committee member has direct responsibilities related to instant ticket manufacturing and services, and each of these persons has served previously on evaluation committees for other RFPs at the Commission.

On October 10, TLC staff provided a draft of the RFP to the State of Texas Contract Advisory Team (“CAT”) for review. CAT provided comments and questions on the draft RFP, which the Commission staff considered, responded to, and addressed in the RFP, as appropriate.

On October 22, the TLC issued a Solicitation Announcement stating that the agency expected to issue an RFP for Instant Ticket Manufacturing and Services in the near future, and informing interested persons how to obtain a printed copy of the RFP.

The RFP included the scoring matrix (Attachment G to the RFP) to be used by the Evaluation Committee members in reviewing and scoring the proposals submitted in response to the RFP.

## **B. RFP ISSUANCE AND PRE-PROPOSAL PERIOD**

The Commission issued the RFP on November 7. On that date, the RFP was posted on the Commission's website and the Electronic State Business Daily ("ESBD") website maintained by the Texas Procurement and Support Services Division in the Texas Comptroller's Office, and mailed to interested persons who responded to the Solicitation Announcement and requested a printed copy of the RFP. Prospective proposers were invited to attend the pre-proposal conference, and each prospective proposer was required to meet separately with TLC staff at least once for a one-on-one Historically Underutilized Business ("HUB") Subcontracting Plan ("HSP") workshop.

The pre-proposal conference was held at the TLC headquarters on November 17. Representatives from three (3) entities attended the pre-proposal conference. After the conference, the TLC provided an opportunity for prospective proposers to submit written questions. The deadline for submitting questions was December 6, to which TLC staff provided written responses on December 16. TLC staff also responded to questions that were asked at the pre-proposal conference and included the answers in the written response. During the first round of questions, a prospective proposer asked for an additional round of questions. TLC amended the Schedule of Events to allow for a second round of questions. The deadline for submitting the second round of questions was January 3, 2012, to which TLC staff provided written responses on January 13.

Last November and December, the TLC scheduled HSP workshops where the TLC's HUB Coordinator (Joyce Bertolacini), Purchasing and Contracts staff, and in-house counsel met with each prospective proposer separately to discuss HUB subcontracting requirements, to answer questions specific to conducting the good faith effort for HUB subcontracting opportunities and completing the required HSP forms, and to review drafts of HSP forms as requested by the proposer. TLC staff responded to written questions regarding the HSP requirements in a HSP question and response document, but in its responses did not disclose any prospective proposer's specific business information to the other prospective proposers. Each prospective proposer had the opportunity to request additional meetings with TLC staff during the HSP question and answer period to discuss issues relating to compliance with the HSP requirements and to review drafts of HSP forms.

To allow for the second round of questions, Mr. Grief extended the deadline for submission of Proposals to January 27, 2012, at 4 p.m.

The Commission issued a total of eleven (11) amendments to the RFP. All amendments were posted on the Commission's website and on the ESBD. Some amendments were initiated by Commission staff and others were made in response to questions raised by prospective proposers.

The Commission received three (3) timely submitted proposals, including cost proposals, from the following proposers:

- GTECH Printing Corporation (GPC)
- Pollard Banknote Limited (PBL)
- Scientific Games International, Inc. (SGI)

Upon receipt of the proposals, the Purchasing and Contracts Administrator (Angela Zgabay-Zgarba) reviewed the proposals for completeness and compliance with the RFP filing requirements. Purchasing and Contracts staff retained the original proposals and the sealed cost proposals. The cost proposals remained sealed until after scoring of the technical proposals was completed.

### III.

#### SUMMARY OF THE EVALUATION PROCESS

1. Guidelines for Evaluation Committee Members. On November 15, 2011, each member of the Evaluation Committee was provided with and asked to review the “Request for Proposals (RFP) Guidelines for Evaluation Committee Members”.
2. Non-Disclosure Agreement. On or before November 15, each committee member signed a non-disclosure agreement.
3. Distribution of Proposals. Copies of each proposal were distributed to the Evaluation Committee for their independent review. In addition, designated TLC employees from the Lottery Operations Division were available to provide technical advice to the Committee as requested.
4. Sample Tickets for Testing. Each proposer provided sample instant lottery tickets for testing with its Proposal. TLC sent these sample tickets to its instant ticket testing vendor, Barker & Herbert Analytical Laboratories, to conduct tests consistent with the testing protocol in the RFP. Barker & Herbert Analytical Laboratories found all samples met the quality, durability, compromiseability and alterability standards in the RFP; Barker and Herbert’s report was provided to each Committee member.
5. Financial Soundness Review. The TLC’s Office of the Controller completed a review of the financial soundness of each proposer and presented findings to the Executive Director. The Executive Director reviewed the findings and determined that each of the proposers met the RFP minimum requirements for financial soundness.
6. HUB Subcontracting Plan Review. The agency’s HUB Coordinator completed a review of the HSP submitted by each proposer. Following this review, the HUB Coordinator presented findings to the Executive Director. The Executive Director reviewed the findings and determined that each of the proposers demonstrated good faith in preparing its HSP.
7. Evaluation Committee Review of Proposals. The Evaluation Committee met as a group on numerous occasions between February 6 and March 6 to review and discuss each of the

proposals submitted, and to consider responses received to clarification questions and reference questionnaires. TLC advisors provided technical advice as requested. The TLC Executive Director and TLC attorneys also attended the meetings.

8. Clarification of Technical Proposals. The Evaluation Committee determined that additional information was required from each proposer to clarify the technical proposals. The Committee drafted written questions on items requiring clarification, and the Contracts Administrator faxed and/or e-mailed the clarification letters to the proposers. Responses were reviewed by the Evaluation Committee.
9. Reference Questionnaires. The Evaluation Committee met and prepared reference questionnaires. Purchasing and Contracts staff distributed the questionnaires to lottery customers (*i.e.*, other state lotteries) identified by the proposers in their proposals. Responses were reviewed by the Evaluation Committee.
10. Site Visits. Between February 23 and March 1, the Evaluation Committee, the TLC Executive Director, and TLC's General Counsel visited each proposer's printing facility.
11. Scoring Technical Proposals. At a meeting at 9 a.m. on March 8, each member of the Evaluation Committee independently scored each of the technical proposals using the scoring matrix published in the RFP. The Contract Administrator collected the signed scoring sheets from each Committee member. The Evaluation Committee then opened and reviewed the cost proposals. The cost proposals were returned to Purchasing and Contracts staff who provided a copy to Office of the Controller staff to review the cost proposal data and to score the proposals using the cost points worksheet.
12. Cost Proposals. The Evaluation Committee reconvened at 2:30 p.m. on March 8, to receive the computation of costs in the cost points worksheet. Purchasing and Contracts staff distributed the analysis and compilation of the cost points worksheet and score sheets. The scores for the costs portion were added to the technical scores to determine the final scores for each proposer. Each Committee member signed his or her individual scoring sheets and submitted them to Purchasing and Contracts staff. The scoring summary matrix was compiled by Purchasing and Contracts staff and distributed to the Evaluation Committee.
13. Final Scores. The individual scoring sheets, together with the scoring summary sheet prepared by Purchasing and Contracts staff, are attached. Below are the final results for the proposers out of a possible 2000 points:

- GTECH Printing Corporation 1778 points
- Pollard Banknote Limited 1706 points
- Scientific Games International 1946 points

#### **IV.**

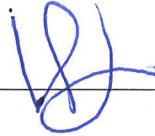
#### **RECOMMENDATION**

The Evaluation Committee has determined each proposer demonstrated superior technical quality and service and has offered competitive pricing. Consistent with the goals in the RFP, the Texas Lottery believes that utilizing multiple vendors for instant ticket manufacturing and services promotes competition, optimizes vendor performance and enhances business resumption capabilities. Therefore, the Evaluation Committee recommends that the Executive Director name GTECH Printing Corporation, Pollard Banknote Limited and Scientific Games International Apparent Successful Proposers and enter into contract negotiations with each proposer.

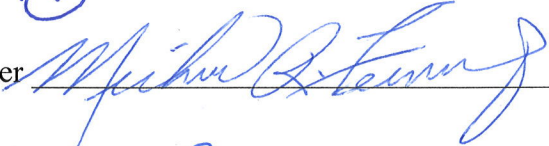
## EVALUATION COMMITTEE REPORT AGREEMENT

The Evaluation Committee has worked diligently to conduct and document a fair and impartial evaluation for the procurement of Instant Ticket Manufacturing and Services. All members of the Evaluation Committee have been actively involved in the process and have developed this Report and Recommendation. The members of the Evaluation Committee, as indicated below, support the findings and recommendations contained herein.

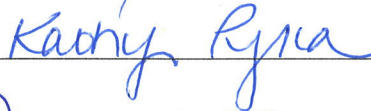
Michael Anger, Evaluation Committee Chair



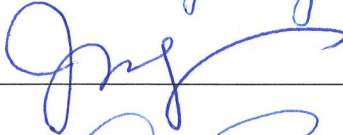
Michael R. Fernandez, Evaluation Committee Member



Kathy Pyka, Evaluation Committee Member



Jim Carney, Evaluation Committee Member



Dale Bowersock, Evaluation Committee Member







# EXHIBIT B

## HUB SUBCONTRACTING PLAN REVIEW

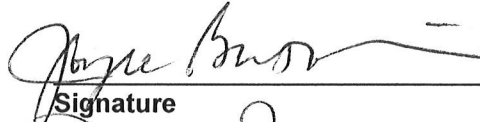
RFP: 362-12-0001 – Instant Ticket Manufacturing and Services

Proposer's Name: Scientific Games

### STATEMENT OF HUB COORDINATOR AND PURCHASING & CONTRACTS MANAGER:

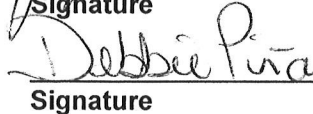
As required by Section 5.2 of the RFP for Instant Ticket Manufacturing and Services, the Proposer submitted a HUB Subcontracting Plan (HSP) with its Proposal. We have reviewed the HSP and summarized our findings below.

Joyce Bertolacini, HUB Coordinator

  
Signature

2/16/12  
Date

Debbie Pina, Purchasing & Contracts Manager

  
Signature

2-16-12  
Date

- I. Did Bidder/Proposer complete and sign the HSP form? Yes  No
- II. Does Bidder/Proposer intend to subcontract? Yes  No
- III. If Bidder/Proposer intends to subcontract, did Bidder/Proposer use:
- Option 1 – Select one or more HUBs for 100% of identified subcontracting opportunities?
  - Option 2 - Meet or exceed the HUB contract goal?
  - Option 3 - Perform HUB Outreach?

Attached hereto are (1) a spreadsheet that outlines the subcontracting opportunities identified in the Proposer's HSP and evidence of the Proposer's good faith effort; and (2) any clarifications requested from and provided by the Proposer.

### DETERMINATION BY THE EXECUTIVE DIRECTOR:

Based on my review of the above findings, and considering the totality of the circumstances of this procurement, it is my determination that [Proposer] Scientific Games:

(Select one)

Failed to demonstrate a good faith effort in preparing its Historically Underutilized Business Subcontracting Plan. As a result, the Proposal submitted by [Proposer] is rejected.

Demonstrated good faith in preparing its Historically Underutilized Business Subcontracting Plan and has satisfied this RFP requirement.

Gary Grief, Executive Director

  
Signature

2/22/12  
Date

362-12-0001 Instant Ticket Manufacturing  
 Scientific Games HSP Evaluation Checklist  
 2/6/2012

No.	Subcontracting Area	Notices to 3 HUBs	7 Days	Date Sent/Due	Notices to Trade Orgs	7 Days	Non-HUB Justification	Comments
1	Packaging Supplies	YES	YES	12/2 - 12/13	YES	YES	N/A	One HUB selected.
2	Ink Supplies	YES	YES	12/5 - 12/14	YES	YES	N/A	One HUB selected.
3	Printing Services	YES	YES	1/5 - 1/17	YES	YES	YES	
4	Transportation Services	YES	YES	12/3 - 12/13	YES	YES	N/A	One HUB selected.
5	Wood Pallets	YES	YES	12/2 - 12/13	YES	YES	YES	
6	Holographic Paper	YES	YES	12/5 - 12/14	YES	YES	YES	
7	Coated Paperboard	YES	YES	1/9 - 1/19	YES	YES	YES	
8	Web Hosting Services	YES	YES	12/4 - 12/13	YES	YES	YES	
9	Insurance Broker Services	YES	YES	1/5 - 1/17	YES	YES	N/A	One HUB selected.
10	Travel Agency Services	YES	YES	12/5 - 12/14	YES	YES	N/A	One HUB selected.
11	Auditing Services	YES	YES	12/9 - 12/21	YES	YES	YES	
				12/22 - 1/6	YES	YES	YES	
				1/5 - 1/17	YES	YES	YES	
				1/5 - 1/17	YES	YES	YES	
				1/5 - 1/17	YES	YES	YES	

# EXHIBIT B

## HUB SUBCONTRACTING PLAN REVIEW

RFP: 362-12-0001 – Instant Ticket Manufacturing and Services

Proposer's Name: GTECH Printing Corporation

**STATEMENT OF HUB COORDINATOR AND PURCHASING & CONTRACTS MANAGER:**

As required by Section 5.2 of the RFP for Instant Ticket Manufacturing and Services, the Proposer submitted a HUB Subcontracting Plan (HSP) with its Proposal. We have reviewed the HSP and summarized our findings below.

Joyce Bertolacini, HUB Coordinator

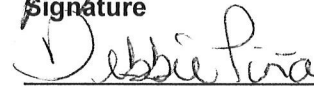


Signature

2/16/12

Date

Debbie Pina, Purchasing & Contracts Manager



Signature

2-16-12

Date

- I. Did Bidder/Proposer complete and sign the HSP form? Yes  No
- II. Does Bidder/Proposer intend to subcontract? Yes  No
- III. If Bidder/Proposer intends to subcontract, did Bidder/Proposer use:
- Option 1 – Select one or more HUBs for 100% of identified subcontracting opportunities?
  - Option 2 - Meet or exceed the HUB contract goal?
  - Option 3 - Perform HUB Outreach?

Attached hereto are (1) a spreadsheet that outlines the subcontracting opportunities identified in the Proposer's HSP and evidence of the Proposer's good faith effort; and (2) any clarifications requested from and provided by the Proposer.

**DETERMINATION BY THE EXECUTIVE DIRECTOR:**

Based on my review of the above findings, and considering the totality of the circumstances of this procurement, it is my determination that [Proposer] Gtech P.C.:

(Select one)

Failed to demonstrate a good faith effort in preparing its Historically Underutilized Business Subcontracting Plan. As a result, the Proposal submitted by [Proposer] is rejected.

Demonstrated good faith in preparing its Historically Underutilized Business Subcontracting Plan and has satisfied this RFP requirement.

Gary Grief, Executive Director



Signature

2/20/12

Date

362-12-0001 Instant Ticket Manufacturing  
 GTECH HSP Evaluation Checklist  
 2/6/2012

No.	Subcontracting Area	Notices to 3 HUBs	7 Days	Date Sent/Due	Notices to Trade Orgs	7 Days	Non-HUB Justification	Comments
1	Audit Services	YES	YES	11/28 - 12/8	YES	YES	YES	
2	General Office Supplies	YES	YES	11/28 - 12/8	YES	YES	YES	
3	Temporary Staffing	YES	YES	11/28 - 12/8	YES	YES	YES	
4	Employee Placement Services	YES	YES	1/12 - 1/24	YES	YES	YES	
5	Design Consultant Services	YES	YES	11/28 - 12/8	YES	YES	YES	
6	Overnight Mail Shipping	YES	YES	12/13 - 12/23	YES	YES	YES	
7	Website Developer/Host	YES	YES	12/28 - 1/11	YES	YES	YES	
8	Auditor - 2nd Chance Drawings	YES	YES	12/13 - 12/23	YES	YES	YES	
9	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
10	Branded Promotional Items Small	YES	YES	12/13 - 12/23	YES	YES	YES	
11	Branded Promotional Items Large	YES	YES	12/13 - 12/23	YES	YES	YES	
12	Three Stooges Promotional Items	YES	YES	12/13 - 12/23	YES	YES	YES	
13	Promotional Advertising Svcs	YES	YES	12/13 - 12/23	YES	YES	YES	
14	Bags	YES	YES	12/13 - 12/23	YES	YES	YES	
15	3-D Glasses	YES	YES	12/14 - 12/23	YES	YES	YES	
16	Intellectual Property Svcs	YES	YES	12/13 - 12/23	YES	YES	YES	
17	Bins and Boxes	YES	YES	12/13 - 12/23	YES	YES	YES	
18	Printer Supplies	YES	YES	12/1 - 12/13	YES	YES	YES	
19	Zoomerang	YES	YES	12/13 - 12/23	YES	YES	YES	
20	Prime Location Geographic Information Software	YES	YES	12/13 - 12/23	YES	YES	YES	
21	Marketing Research	YES	YES	12/13 - 12/23	YES	YES	YES	
22	IBM Research Software	YES	YES	12/13 - 12/23	YES	YES	YES	
23	Insurance Brokerage Svcs	YES	YES	12/13 - 12/23	YES	YES	YES	
24	Surety Broker	YES	YES	12/13 - 12/23	YES	YES	YES	

362-12-0001 Instant Ticket Manufacturing  
 GTECH HSP Evaluation Checklist  
 2/6/2012

No.	Subcontracting Area	Notices to 3 HUBs	7 Days	Date Sent/Due	Notices to Trade Orgs	7 Days	Non-HUB Justification	Comments
25	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
26	Rental Vehicles	YES		12/13 - 12/23	YES	YES	YES	
27	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
28	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
29	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
30	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
	Software Development							
31	Training	YES	YES	12/1 - 12/13	YES	YES	YES	
32	Corrugated Cartons	YES	YES	12/13 - 12/23	YES	YES	YES	
33	Shrink Film/Wrap	YES	YES	1/12 - 1/24	YES	YES	YES	One HUB and one Non-HUB selected.
34	Wood Pallets	YES	YES	12/13 - 12/23	YES	YES	YES	
35	Logistics/Trucking	YES	YES	12/13 - 12/23	YES	YES	N/A	One HUB selected.
36	Misc. Shipping Supplies	YES	YES	11/30 - 12/12	YES	YES	YES	
37	Flexographic Plates	YES	YES	12/28 - 1/11	YES	YES	YES	
38	Misc. Packing Supplies	YES	YES	12/28 - 1/11	YES	YES	YES	
39	Perforation Blades	YES	YES	12/6 - 12/16	YES	YES	YES	
40	Misc. Printing Plant Supplies	YES	YES	12/13 - 12/23	YES	YES	YES	
41	Imager Inks	YES	YES	12/1 - 12/13	YES	YES	YES	
42	Doctor Blades	YES	YES	12/1 - 12/13	YES	YES	YES	
43	Flexible Mounting Tape	YES	YES	11/30 - 12/12	YES	YES	YES	
	Flexoplate Mounting							
44	Sleeves	YES	YES	11/30 - 12/12	YES	YES	YES	
45	Roll Paper Stock	YES	YES	12/28 - 1/11	YES	YES	YES	One HUB and four Non-HUBs selected.
	Direct Mail Pieces and Bar							
46	Code Coupons	YES	YES	11/30 - 12/12	YES	YES	YES	
47	Printing Svcs	YES	YES	11/30 - 12/12	YES	YES	YES	
48	ISO Audit	YES	YES	12/7 - 12/19	YES	YES	YES	
49	Environmental Consulting	YES	YES	11/30 - 12/12	YES	YES	YES	
50	Backup Data Svcs	YES	YES	11/30 - 12/12	YES	YES	YES	

362-12-0001 Instant Ticket Manufacturing  
 GTECH HSP Evaluation Checklist  
 2/6/2012

No.	Subcontracting Area	Notices to 3 HUBs	7 Days	Date Sent/Due	Notices to Trade Orgs	7 Days	Non-HUB Justification	Comments
51	Network/Telecom Cabling	YES	YES	11/30 - 12/12	YES	YES	YES	
52	General Hardware Support	YES	YES	12/14 - 12/23	YES	YES	YES	
53	General Software Support	YES	YES	11/30 - 12/12	YES	YES	YES	
54	Misc Lab Supplies	YES	YES	11/30 - 12/12	YES	YES	YES	
55	Independent Lab Reports	YES	YES	12/7 - 12/19	YES	YES	YES	
56	Background Checks	YES	YES	12/1 - 12/13	YES	YES	YES	
57	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
58	Videographer	YES	YES	12/1 - 12/13	YES	YES	YES	
59	Travel Agency Services	YES	YES	12/1 - 12/13	YES	YES	N/A	One HUB selected.
60	Specialty Inks	YES	YES	12/28 - 1/11	YES	YES	YES	
61	Magnetic Die Cut Blades	YES	YES	12/1 - 12/13	YES	YES	YES	
62	Security Alarm Monitoring	YES	YES	12/8 - 12/20	YES	YES	YES	
63	Security Equipment Install	YES	YES	12/8 - 12/20	YES	YES	YES	
64	N/A	N/A	N/A	N/A	N/A	N/A	N/A	
65	Security Door Hardware	YES	YES	12/8 - 12/20	YES	YES	YES	
66	Prize Fulfillment Services	YES	YES	12/15 - 12/28	YES	YES	YES	
67	Graphic Inks	YES	YES	12/28 - 1/11	YES	YES	YES	
	Mail-In 2nd Chance							
68	Drawings	YES	YES	12/30 - 1/12	YES	YES	YES	
69	Proofers Inks	YES	YES	1/5 - 1/17	YES	YES	YES	
70	Spectrometer Maintenance	YES	YES	12/30 - 1/12	YES	YES	YES	
71	Two Way Radio Equipment	YES	YES	1/4 - 1/13	YES	YES	YES	
72	SSAE 16 Type II Audit	YES	YES	12/28 - 1/11	YES	YES	YES	
	2nd Chance Drawing -			1/5-1/17				
73	Internet	YES	YES	1/4 - 1/13	YES	YES	YES	

# EXHIBIT B

## HUB SUBCONTRACTING PLAN REVIEW

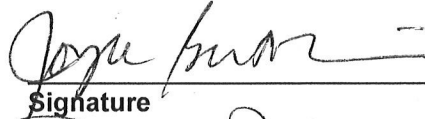
RFP: 362-12-0001 – Instant Ticket Manufacturing and Services

Proposer's Name: Pollard Banknote Limited

**STATEMENT OF HUB COORDINATOR AND PURCHASING & CONTRACTS MANAGER:**

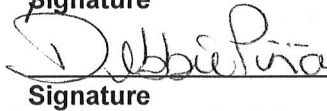
As required by Section 5.2 of the RFP for Instant Ticket Manufacturing and Services, the Proposer submitted a HUB Subcontracting Plan (HSP) with its Proposal. We have reviewed the HSP and summarized our findings below.

Joyce Bertolacini, HUB Coordinator

  
Signature

2/16/12  
Date

Debbie Pina, Purchasing & Contracts Manager

  
Signature

2-16-12  
Date

- I. Did Bidder/Proposer complete and sign the HSP form? Yes  No
- II. Does Bidder/Proposer intend to subcontract? Yes  No
- III. If Bidder/Proposer intends to subcontract, did Bidder/Proposer use:
  - Option 1 – Select one or more HUBs for 100% of identified subcontracting opportunities?
  - Option 2 - Meet or exceed the HUB contract goal?
  - Option 3 - Perform HUB Outreach?

Attached hereto are (1) a spreadsheet that outlines the subcontracting opportunities identified in the Proposer's HSP and evidence of the Proposer's good faith effort; and (2) any clarifications requested from and provided by the Proposer.

**DETERMINATION BY THE EXECUTIVE DIRECTOR:**

Based on my review of the above findings, and considering the totality of the circumstances of this procurement, it is my determination that [Proposer] Pollard Banknote Ltd.

(Select one)

Failed to demonstrate a good faith effort in preparing its Historically Underutilized Business Subcontracting Plan. As a result, the Proposal submitted by [Proposer] is rejected.

Demonstrated good faith in preparing its Historically Underutilized Business Subcontracting Plan and has satisfied this RFP requirement.

Gary Grief, Executive Director

  
Signature

2/22/12  
Date



362-12-0001 Instant Ticket Manufacturing  
 Pollard HSP Evaluation Checklist  
 2/6/2012

No.	Subcontracting Area	to 3 HUBs	Date Sent/Due	Notices to Trade Orgs	7 Days	Non-HUB Justification	Comments
1	Corrugated Cartons	YES	12/2 - 12-15**	YES	YES	YES	
2	Pallets	YES	12/2 - 12-15	YES	YES	YES	
3	Printing - Bar Coded Coupons	YES*	12/2 - 12-15	YES	YES	YES	
4	Printing - POS	YES*	12/2 - 12-15	YES	YES	N/A	Pollard intends to provide in-house.
5	Shrink Film	YES	12/2 - 12-15	YES	YES	YES	
6	Ticket Card Stock	YES*	12/2 - 12-15	YES	YES	N/A	One HUB selected.
7	Transportation	YES*	12/2 - 12-15	YES	YES	N/A	One HUB selected.

\*Pollard contacted 16 HUBs for the two printing areas (nos. 3 and 4), 5 HUBs for Ticket Card Stock, and 6 HUBs for Transportation.

\*\*Letters were dated 12/2/11 but appear to have been faxed on 11/30/11.

**CONFIDENTIAL INFORMATION**

Confidentiality Claimed  
 PIA §552.110

**CONFIDENTIAL INFORMATION ENDS HERE**

**Financial Soundness  
Review**

# FINANCIAL SOUNDNESS REVIEW

RFP: Instant Ticket Manufacturing and Services

Proposer Names: GTECH PRINTING CORP., POLLARD BANKNOTE LTD., SCIENTIFIC GAMES INTERNATIONAL

## STATEMENT OF FINANCIAL ACCOUNTING & REPORTING MANAGER:

As required by Section 4.6 of the RFP for Instant Ticket Manufacturing and Services, each Proposer submitted documentation supporting the financial soundness review with its Proposal. I have reviewed the financial documents and summarized my findings on the attached Report.

Kelly Stuckey, Financial Operations Manager

  
Signature

2.22.12  
Date

Attached hereto is a written report from the Office of the Controller.

## DETERMINATION BY THE EXECUTIVE DIRECTOR:

Based on my review, and considering the totality of the circumstances of this procurement, it is my determination all Proposers:

Demonstrated financial soundness and satisfied this RFP requirement.

Gary Grief, Executive Director

  
Signature

2/22/12  
Date

**Texas Lottery Commission**  
**Report on Financial Soundness**  
**Instant Ticket Manufacturing and Services**

**Background**

Section 4.6 *Financial Soundness*, of the Request for Proposal (RFP), requires that the Proposers provide the Commission with information in order to evaluate the Proposers' financial responsibility and stability for performance of any Contract awarded as result of this RFP and must demonstrate the ability to finance the project described in its submission.

As a basis for making this determination Proposers were required to submit the following documentation with its Proposal:

- A. Copies of audited financial statements and/or complete tax returns for each of the Proposer's (and its parent corporation, if applicable, or joint venture member or affiliate, if applicable) two (2) most recently ended fiscal years; and/or
- B. If documentation under (a) is not available, provide other proof of financial assurance.

Staff in the Office of the Controller reviewed each Proposers response to Section 4.6 of the RFP. The review consisted of reading the applicable sections of the response to the Request for Proposal, including the Transmittal Letter, Executive Summary, Section 4.6 and all related financial statements and/or supplementary information.

Below is a summary of each Proposer's response to information requested in relation to Section 4.6 of the Request for Proposal.

**GTECH**

Response to Section 4.6 of the Request for Proposal was complete. The proposer provided audited financial statements to satisfy this section of the proposal. Staff in the Office of the Controller reviewed the financial statements and has concluded that GTECH Printing Corporation has sufficient financial resources to perform under the contract in accordance with Section 4.6 of the Request for Proposal.

**Pollard Banknote**

Response to Section 4.6 of the Request for Proposal was complete. The proposer provided audited financial statements to satisfy this section of the proposal. Staff in the Office of the Controller reviewed the financial statements and has concluded that Pollard Banknote LTD. has sufficient financial resources to perform under the contract in accordance with Section 4.6 of the Request for Proposal.

**Scientific Games**

Response to Section 4.6 of the Request for Proposal was complete. The proposer provided audited financial statements to satisfy this section of the proposal. Staff in the Office of the Controller reviewed the financial statements and has concluded that Scientific Games International has sufficient financial resources to perform under the contract in accordance with Section 4.6 of the Request for Proposal.

## Zgarba, Angela

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**From:** Stuckey, Kelly  
**Sent:** Monday, February 06, 2012 10:08 AM  
**To:** Zgarba, Angela; Barbre, Debra; Bertolacini, Joyce  
**Cc:** Navarro, Benito  
**Subject:** RE: Proposals Due - Thursday 1/16/12

We have completed the review for Instant Ticket Manufacturing and Services. See below.

Financial Soundness Review for Instant Ticket Manufacturing and Services RFP	PASS/FAIL
Scientific Games	PASS
Pollard Banknote	PASS
GTECH	PASS

Dayna Collins 1/30/2012  
Reviewed

Kelly Stuckey 2/6/2012  
Approved

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**From:** Zgarba, Angela  
**Sent:** Monday, January 23, 2012 12:38 PM  
**To:** Barbre, Debra; Bertolacini, Joyce; Stuckey, Kelly  
**Cc:** Navarro, Benito  
**Subject:** RE: Proposals Due - Thursday 1/16/12

We also have proposals due for the Instant Ticket Manufacturing RFP on 1/27/2012. We will also review Proposals in alphabetical order. We already know that we will be reviewing the Proposals at the same time, so, I do not believe my timeline will be as strict as Debi's. However, I would like to send out any clarification letters as soon as possible. Thanks.

*Angela Zgabay-Zgarba*, CTPM, CTCM  
Contracts Administrator  
Texas Lottery Commission  
Ph: 512.344.5215  
Fax: 512.344.5058

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**From:** Barbre, Debra  
**Sent:** Monday, January 23, 2012 11:26 AM  
**To:** Bertolacini, Joyce; Stuckey, Kelly  
**Cc:** Navarro, Benito; Zgarba, Angela  
**Subject:** Proposals Due - Thursday 1/16/12

Just wanted to give you the heads up that we have proposals due on Thursday, January 26, 2012 @ 4:00p.m. for the Lottery Security Study Services RFP. I expect to deliver proposals to you the following day for your review of the HSP and/or Financials.





March 6, 2012

Alexis Richards  
Forensic Specialist  
Texas Lottery Commission  
611 East 6<sup>th</sup> Street  
Austin, TX 78701

Dear Ms. Richards:

Following is the **REVISED** preliminary summary report for the “SEASON’S GREETINGS” foil sample tickets, received at Barker & Herbert Analytical Laboratories, Inc., for testing on February 14, 2012. This report replaces the preliminary summary report issued on February 27, 2012.

**Compliance with durability and security criteria**

The “SEASON’S GREETINGS” tickets submitted to Barker & Herbert Analytical Laboratories, Inc., **PASS all of the security and durability criteria** established by the Texas Lottery Commission and Barker & Herbert Analytical Laboratories, Inc.

Tex. Gov’t Code  
§552.139/§552.101  
§466.022

March 6, 2012  
SEASON'S GREETINGS  
FOIL SAMPLE TICKETS

Page 2

Tex. Gov't Code  
§552.139/§552.101  
§466.022

Michael J. Milholland, Chemist

Craig A. Balliet, Chemistry Laboratory Manager





February 27, 2012

Alexis Richards  
Forensic Specialist  
Texas Lottery Commission  
611 East 6<sup>th</sup> Street  
Austin, TX 78701

Dear Ms. Richards:

Following is the preliminary summary report for the “SEASON’S GREETINGS” foil sample tickets, received at Barker & Herbert Analytical Laboratories, Inc., for testing on February 14, 2012.

**Compliance with durability and security criteria**

The “SEASON’S GREETINGS” tickets submitted to Barker & Herbert Analytical Laboratories, Inc., **FAIL to meet the security criteria** established by the Texas Lottery Commission and Barker & Herbert Analytical Laboratories, Inc.

**Comments**

Tex. Gov’t Code  
§552.139/§552.101  
§466.022

February 27, 2012  
SEASON'S GREETINGS  
FOIL SAMPLE TICKETS

Page 2

Tex. Gov't Code  
§552.139/§552.101  
§466.022

Michael J. Milholland, Chemist

Craig A. Balliet, Chemistry Laboratory Manager



February 27, 2012

Alexis Richards  
Forensic Specialist  
Texas Lottery Commission  
611 East 6<sup>th</sup> Street  
Austin, TX 78701

Dear Ms. Richards:

Following is the preliminary summary report for the “CIVIL WAR” foil sample tickets, received at Barker & Herbert Analytical Laboratories, Inc., for testing on February 14, 2012.

**Compliance with durability and security criteria**

The “CIVIL WAR” tickets submitted to Barker & Herbert Analytical Laboratories, Inc., **PASS** all of the durability and security criteria established by the Texas Lottery Commission and Barker & Herbert Analytical Laboratories, Inc.

Tex. Gov't Code  
§552.139/§552.101  
§466.022

February 27, 2012  
CIVIL WAR  
FOIL SAMPLE TICKET

Page 2

Tex. Gov't Code  
§552.139/§552.101  
§466.022

Michael J. Milholland, Chemist

Craig A. Balliet, Chemistry Laboratory Manager





February 27, 2012

Alexis Richards  
Forensic Specialist  
Texas Lottery Commission  
611 East 6<sup>th</sup> Street  
Austin, TX 78701

Dear Ms. Richards:

Following is the preliminary summary report for the “**\$100,000 RICHES**” foil sample tickets, received at Barker & Herbert Analytical Laboratories, Inc., for testing on February 14, 2012.

**Compliance with durability and security criteria**

The “**\$100,000 RICHES**” tickets submitted to Barker & Herbert Analytical Laboratories, Inc., **PASS** all of the durability and security criteria established by the Texas Lottery Commission and Barker & Herbert Analytical Laboratories, Inc.

Tex. Gov't Code  
§552.139/§552.101  
§466.022

Michael J. Milholland, Chemist

Craig A. Balliet, Chemistry Laboratory Manager



ANALYTICAL LABORATORIES, INC.

February 27, 2012

Alexis Richards  
Forensic Specialist  
Texas Lottery Commission  
611 East 6<sup>th</sup> Street  
Austin, TX 78701

Dear Ms. Richards:

Following is the preliminary summary report for the “**REALITY TV STAR**” foil sample tickets, received at Barker & Herbert Analytical Laboratories, Inc., for testing on February 14, 2012.

**Compliance with durability and security criteria**

The “**REALITY TV STAR**” tickets submitted to Barker & Herbert Analytical Laboratories, Inc., **PASS** all of the durability and security criteria established by the Texas Lottery Commission and Barker & Herbert Analytical Laboratories, Inc.

Tex. Gov't Code  
§552.139/§552.101  
§466.022

February 27, 2012  
REALITY TV STAR  
FOIL SAMPLE TICKET

Page 2

Tex. Gov't Code  
§552.139/§552.101  
§466.022

Michael J. Milholland, Chemist

Craig A. Balliet, Chemistry Laboratory Manager





**ATTACHMENT G  
SCORING MATRIX**

**PROPOSER NAME** Scientific Games

<b>Instant Ticket Manufacturing and Services RFP</b>			
The financial status of the Proposer.	Pass/Fail	Pass	
Whether the Proposer made a good faith effort to reach the minority participation goals set forth by the Texas Lottery.	Pass/Fail	Pass	
Proposers must have a minimum of two years of related lottery experience in instant ticket printing in North America and at least three current clients who are members of the North American Association of State and Provincial Lotteries.	Pass/Fail	Pass	
<b>Technical Scoring Criteria:</b>	<b>Possible Points</b>	<b>% of Total</b>	<b>Points Awarded</b>
The probable quality of the offered goods or services.	600	30%	595
The quality of the Proposer's past performance in contracting with the agency, with other state entities, or with private sector entities.	240	12%	235
The qualifications of the Proposer's personnel.	180	9%	180
The experience of the Proposer in providing the requested goods or services.	180	9%	180
<b>Technical Scoring Subtotal</b>	<b>1200</b>	<b>60%</b>	<b>1190</b>
<b>Cost Proposal Criteria:</b>			
The Proposer's price to provide the goods or services	800	40%	800
<b>Cost Proposal Scoring Subtotal</b>	<b>800</b>	<b>40%</b>	<b>800</b>
<b>TOTAL</b>	<b>2000</b>	<b>100%</b>	<b>1990</b>

Jim Carney  
Evaluator Name

[Signature]  
Signature

3/8/12  
Date



**ATTACHMENT G  
SCORING MATRIX**

**PROPOSER NAME** Pollard

<b>Instant Ticket Manufacturing and Services RFP</b>			
The financial status of the Proposer.	Pass/Fail	Pass	
Whether the Proposer made a good faith effort to reach the minority participation goals set forth by the Texas Lottery.	Pass/Fail	Pass	
Proposers must have a minimum of two years of related lottery experience in instant ticket printing in North America and at least three current clients who are members of the North American Association of State and Provincial Lotteries.	Pass/Fail	Pass	
<b>Technical Scoring Criteria:</b>	<b>Possible Points</b>	<b>% of Total</b>	<b>Points Awarded</b>
The probable quality of the offered goods or services.	600	30%	590
The quality of the Proposer's past performance in contracting with the agency, with other state entities, or with private sector entities.	240	12%	230
The qualifications of the Proposer's personnel.	180	9%	180
The experience of the Proposer in providing the requested goods or services.	180	9%	180
<b>Technical Scoring Subtotal</b>	<b>1200</b>	<b>60%</b>	<b>1180</b>
<b>Cost Proposal Criteria:</b>			
The Proposer's price to provide the goods or services	800	40%	598
<b>Cost Proposal Scoring Subtotal</b>	<b>800</b>	<b>40%</b>	<b>598</b>
<b>TOTAL</b>	<b>2000</b>	<b>100%</b>	<b>1778</b>

Jim Caney  
Evaluator Name

[Signature]  
Signature

3/8/12  
Date

**ATTACHMENT G  
SCORING MATRIX**

**PROPOSER NAME** Scientific Games

<b>Instant Ticket Manufacturing and Services RFP</b>			
The financial status of the Proposer.	Pass/Fail	Pass	
Whether the Proposer made a good faith effort to reach the minority participation goals set forth by the Texas Lottery.	Pass/Fail	Pass	
Proposers must have a minimum of two years of related lottery experience in instant ticket printing in North America and at least three current clients who are members of the North American Association of State and Provincial Lotteries.	Pass/Fail	Pass	
<b>Technical Scoring Criteria:</b>	<b>Possible Points</b>	<b>% of Total</b>	<b>Points Awarded</b>
The probable quality of the offered goods or services.	600	30%	575
The quality of the Proposer's past performance in contracting with the agency, with other state entities, or with private sector entities.	240	12%	235
The qualifications of the Proposer's personnel.	180	9%	180
The experience of the Proposer in providing the requested goods or services.	180	9%	180
<b>Technical Scoring Subtotal</b>	<b>1200</b>	<b>60%</b>	<b>1190</b>
<b>Cost Proposal Criteria:</b>			
The Proposer's price to provide the goods or services	800	40%	800
<b>Cost Proposal Scoring Subtotal</b>	<b>800</b>	<b>40%</b>	<b>800</b>
<b>TOTAL</b>	<b>2000</b>	<b>100%</b>	<b>1990</b>

Michael R. Fernandez  
**Evaluator Name**

[Signature]  
**Signature**

3/8/12  
**Date**

**ATTACHMENT G  
SCORING MATRIX**

**PROPOSER NAME** GTECA Printing GPC

<b>Instant Ticket Manufacturing and Services RFP</b>			
The financial status of the Proposer.	Pass/Fail	Pass	
Whether the Proposer made a good faith effort to reach the minority participation goals set forth by the Texas Lottery.	Pass/Fail	Pass	
Proposers must have a minimum of two years of related lottery experience in instant ticket printing in North America and at least three current clients who are members of the North American Association of State and Provincial Lotteries.	Pass/Fail	Pass	
<b>Technical Scoring Criteria:</b>	<b>Possible Points</b>	<b>% of Total</b>	<b>Points Awarded</b>
The probable quality of the offered goods or services.	600	30%	550
The quality of the Proposer's past performance in contracting with the agency, with other state entities, or with private sector entities.	240	12%	215
The qualifications of the Proposer's personnel.	180	9%	180
The experience of the Proposer in providing the requested goods or services.	180	9%	175
<b>Technical Scoring Subtotal</b>	<b>1200</b>	<b>60%</b>	<b>1120</b>
<b>Cost Proposal Criteria:</b>			
The Proposer's price to provide the goods or services	800	40%	686
<b>Cost Proposal Scoring Subtotal</b>	<b>800</b>	<b>40%</b>	<b>686</b>
<b>TOTAL</b>	<b>2000</b>	<b>100%</b>	<b>1806</b>

Michael R. Fernandez  
**Evaluator Name**

Michael R. Fernandez  
**Signature**

3/8/12  
**Date**

**ATTACHMENT G  
SCORING MATRIX**

**PROPOSER NAME**   Pollard  

<b>Instant Ticket Manufacturing and Services RFP</b>			
The financial status of the Proposer.	Pass/Fail	Pass	
Whether the Proposer made a good faith effort to reach the minority participation goals set forth by the Texas Lottery.	Pass/Fail	Pass	
Proposers must have a minimum of two years of related lottery experience in instant ticket printing in North America and at least three current clients who are members of the North American Association of State and Provincial Lotteries.	Pass/Fail	Pass	
<b>Technical Scoring Criteria:</b>	<b>Possible Points</b>	<b>% of Total</b>	<b>Points Awarded</b>
The probable quality of the offered goods or services.	600	30%	560
The quality of the Proposer's past performance in contracting with the agency, with other state entities, or with private sector entities.	240	12%	220
The qualifications of the Proposer's personnel.	180	9%	180
The experience of the Proposer in providing the requested goods or services.	180	9%	180
<b>Technical Scoring Subtotal</b>	<b>1200</b>	<b>60%</b>	<b>1140</b>
<b>Cost Proposal Criteria:</b>			
The Proposer's price to provide the goods or services	800	40%	598
<b>Cost Proposal Scoring Subtotal</b>	<b>800</b>	<b>40%</b>	<b>598</b>
<b>TOTAL</b>	<b>2000</b>	<b>100%</b>	<b>1738</b>

Michael R. Fernandez  
Evaluator Name

Michael R. Fernandez  
Signature

3/8/12  
Date

**ATTACHMENT G  
SCORING MATRIX**

**PROPOSER NAME** Scientific Games

<b>Instant Ticket Manufacturing and Services RFP</b>			
The financial status of the Proposer.	Pass/Fail	PASS	
Whether the Proposer made a good faith effort to reach the minority participation goals set forth by the Texas Lottery.	Pass/Fail	PASS	
Proposers must have a minimum of two years of related lottery experience in instant ticket printing in North America and at least three current clients who are members of the North American Association of State and Provincial Lotteries.	Pass/Fail	PASS	
<b>Technical Scoring Criteria:</b>	<b>Possible Points</b>	<b>% of Total</b>	<b>Points Awarded</b>
The probable quality of the offered goods or services.	600	30%	585
The quality of the Proposer's past performance in contracting with the agency, with other state entities, or with private sector entities.	240	12%	230
The qualifications of the Proposer's personnel.	180	9%	175
The experience of the Proposer in providing the requested goods or services.	180	9%	180
<b>Technical Scoring Subtotal</b>	<b>1200</b>	<b>60%</b>	<b>1,170</b>
<b>Cost Proposal Criteria:</b>			
The Proposer's price to provide the goods or services	800	40%	800
<b>Cost Proposal Scoring Subtotal</b>	<b>800</b>	<b>40%</b>	<b>800</b>
<b>TOTAL</b>	<b>2000</b>	<b>100%</b>	<b>1,970</b>

Kathy Ryka  
**Evaluator Name**

Kathy Ryka  
**Signature**

3/8/2012  
**Date**

**ATTACHMENT G  
SCORING MATRIX**

**PROPOSER NAME** GTECH Printing Corporation

<b>Instant Ticket Manufacturing and Services RFP</b>			
The financial status of the Proposer.	Pass/Fail	PASS	
Whether the Proposer made a good faith effort to reach the minority participation goals set forth by the Texas Lottery.	Pass/Fail	PASS	
Proposers must have a minimum of two years of related lottery experience in instant ticket printing in North America and at least three current clients who are members of the North American Association of State and Provincial Lotteries.	Pass/Fail	PASS	
<b>Technical Scoring Criteria:</b>	<b>Possible Points</b>	<b>% of Total</b>	<b>Points Awarded</b>
The probable quality of the offered goods or services.	600	30%	550
The quality of the Proposer's past performance in contracting with the agency, with other state entities, or with private sector entities.	240	12%	230
The qualifications of the Proposer's personnel.	180	9%	170
The experience of the Proposer in providing the requested goods or services.	180	9%	150
<b>Technical Scoring Subtotal</b>	<b>1200</b>	<b>60%</b>	<b>1,100</b>
<b>Cost Proposal Criteria:</b>			
The Proposer's price to provide the goods or services	800	40%	686
<b>Cost Proposal Scoring Subtotal</b>	<b>800</b>	<b>40%</b>	<b>686</b>
<b>TOTAL</b>	<b>2000</b>	<b>100%</b>	<b>1,786</b>

Kathy Pyka  
Evaluator Name

Kathy Pyka  
Signature

3/8/2012  
Date



**ATTACHMENT G  
SCORING MATRIX**

**PROPOSER NAME** Pollard Banknote

<b>Instant Ticket Manufacturing and Services RFP</b>			
The financial status of the Proposer.	Pass/Fail	PASS	
Whether the Proposer made a good faith effort to reach the minority participation goals set forth by the Texas Lottery.	Pass/Fail	PASS	
Proposers must have a minimum of two years of related lottery experience in instant ticket printing in North America and at least three current clients who are members of the North American Association of State and Provincial Lotteries.	Pass/Fail	PASS	
<b>Technical Scoring Criteria:</b>	<b>Possible Points</b>	<b>% of Total</b>	<b>Points Awarded</b>
The probable quality of the offered goods or services.	600	30%	560
The quality of the Proposer's past performance in contracting with the agency, with other state entities, or with private sector entities.	240	12%	230
The qualifications of the Proposer's personnel.	180	9%	175
The experience of the Proposer in providing the requested goods or services.	180	9%	160
<b>Technical Scoring Subtotal</b>	<b>1200</b>	<b>60%</b>	<b>1,125</b>
<b>Cost Proposal Criteria:</b>			
The Proposer's price to provide the goods or services	800	40%	598
<b>Cost Proposal Scoring Subtotal</b>	<b>800</b>	<b>40%</b>	<b>598</b>
<b>TOTAL</b>	<b>2000</b>	<b>100%</b>	<b>1,723</b>

Kathy Ryka  
**Evaluator Name**

Kathy Ryka  
**Signature**

3/8/2012  
**Date**

**ATTACHMENT G  
SCORING MATRIX**

**PROPOSER NAME** Scientific Games Inc. (SGI)

<b>Instant Ticket Manufacturing and Services RFP</b>			
The financial status of the Proposer.	Pass/Fail	Pass	
Whether the Proposer made a good faith effort to reach the minority participation goals set forth by the Texas Lottery.	Pass/Fail	Pass	
Proposers must have a minimum of two years of related lottery experience in instant ticket printing in North America and at least three current clients who are members of the North American Association of State and Provincial Lotteries.	Pass/Fail	Pass	
<b>Technical Scoring Criteria:</b>	<b>Possible Points</b>	<b>% of Total</b>	<b>Points Awarded</b>
The probable quality of the offered goods or services.	600	30%	450
The quality of the Proposer's past performance in contracting with the agency, with other state entities, or with private sector entities.	240	12%	240
The qualifications of the Proposer's personnel.	180	9%	180
The experience of the Proposer in providing the requested goods or services.	180	9%	180
<b>Technical Scoring Subtotal</b>	<b>1200</b>	<b>60%</b>	<b>1,050</b>
<b>Cost Proposal Criteria:</b>			
The Proposer's price to provide the goods or services	800	40%	800
<b>Cost Proposal Scoring Subtotal</b>	<b>800</b>	<b>40%</b>	<b>800</b>
<b>TOTAL</b>	<b>2000</b>	<b>100%</b>	<b>1,850</b>

Dale Bowersock  
Evaluator Name

Dale Bowersock  
Signature

3/8/12  
Date

**ATTACHMENT G  
SCORING MATRIX**

**PROPOSER NAME** GTECH Printing Corp (GPC)

<b>Instant Ticket Manufacturing and Services RFP</b>			
The financial status of the Proposer.	Pass/Fail	Pass	
Whether the Proposer made a good faith effort to reach the minority participation goals set forth by the Texas Lottery.	Pass/Fail	Pass	
Proposers must have a minimum of two years of related lottery experience in instant ticket printing in North America and at least three current clients who are members of the North American Association of State and Provincial Lotteries.	Pass/Fail	Pass	
<b>Technical Scoring Criteria:</b>	<b>Possible Points</b>	<b>% of Total</b>	<b>Points Awarded</b>
The probable quality of the offered goods or services.	600	30%	550
The quality of the Proposer's past performance in contracting with the agency, with other state entities, or with private sector entities.	240	12%	225
The qualifications of the Proposer's personnel.	180	9%	180
The experience of the Proposer in providing the requested goods or services.	180	9%	150
<b>Technical Scoring Subtotal</b>	<b>1200</b>	<b>60%</b>	<b>1,105</b>
<b>Cost Proposal Criteria:</b>			
The Proposer's price to provide the goods or services	800	40%	686
<b>Cost Proposal Scoring Subtotal</b>	<b>800</b>	<b>40%</b>	<b>686</b>
<b>TOTAL</b>	<b>2000</b>	<b>100%</b>	<b>1,791</b>

Dale Bowersock  
Evaluator Name

Dale Bowersock  
Signature

3/8/12  
Date

**ATTACHMENT G  
SCORING MATRIX**

**PROPOSER NAME** Pollard Banknote (PBL)

<b>Instant Ticket Manufacturing and Services RFP</b>			
The financial status of the Proposer.	Pass/Fail	Pass	
Whether the Proposer made a good faith effort to reach the minority participation goals set forth by the Texas Lottery.	Pass/Fail	Pass	
Proposers must have a minimum of two years of related lottery experience in instant ticket printing in North America and at least three current clients who are members of the North American Association of State and Provincial Lotteries.	Pass/Fail	Pass	
<b>Technical Scoring Criteria:</b>	<b>Possible Points</b>	<b>% of Total</b>	<b>Points Awarded</b>
The probable quality of the offered goods or services.	600	30%	500
The quality of the Proposer's past performance in contracting with the agency, with other state entities, or with private sector entities.	240	12%	200
The qualifications of the Proposer's personnel.	180	9%	170
The experience of the Proposer in providing the requested goods or services.	180	9%	170
<b>Technical Scoring Subtotal</b>	<b>1200</b>	<b>60%</b>	<b>1,040</b>
<b>Cost Proposal Criteria:</b>			
The Proposer's price to provide the goods or services	800	40%	598
<b>Cost Proposal Scoring Subtotal</b>	<b>800</b>	<b>40%</b>	<b>598</b>
<b>TOTAL</b>	<b>2000</b>	<b>100%</b>	<b>1,638</b>

Dale Bowersock  
Evaluator Name

Dale Bowersock  
Signature

3/8/12  
Date

**ATTACHMENT G  
SCORING MATRIX**

**PROPOSER NAME** SCIENTIFIC GAMES

<b>Instant Ticket Manufacturing and Services RFP</b>			
The financial status of the Proposer.	Pass/Fail	PASS	
Whether the Proposer made a good faith effort to reach the minority participation goals set forth by the Texas Lottery.	Pass/Fail	PASS	
Proposers must have a minimum of two years of related lottery experience in instant ticket printing in North America and at least three current clients who are members of the North American Association of State and Provincial Lotteries.	Pass/Fail	PASS	
<b>Technical Scoring Criteria:</b>	<b>Possible Points</b>	<b>% of Total</b>	<b>Points Awarded</b>
The probable quality of the offered goods or services.	600	30%	570
The quality of the Proposer's past performance in contracting with the agency, with other state entities, or with private sector entities.	240	12%	238
The qualifications of the Proposer's personnel.	180	9%	171
The experience of the Proposer in providing the requested goods or services.	180	9%	180
<b>Technical Scoring Subtotal</b>	<b>1200</b>	<b>60%</b>	<b>1149</b>
<b>Cost Proposal Criteria:</b>			
The Proposer's price to provide the goods or services	800	40%	800
<b>Cost Proposal Scoring Subtotal</b>	<b>800</b>	<b>40%</b>	<b>800</b>
<b>TOTAL</b>	<b>2000</b>	<b>100%</b>	<b>1949</b>

MICHAEL ANGER  
Evaluator Name

[Signature]  
Signature

3/8/12  
Date

**ATTACHMENT G  
SCORING MATRIX**

*G TECH PRINTING*

PROPOSER NAME \_\_\_\_\_

<b>Instant Ticket Manufacturing and Services RFP</b>			
The financial status of the Proposer.	Pass/Fail	PASS	
Whether the Proposer made a good faith effort to reach the minority participation goals set forth by the Texas Lottery.	Pass/Fail	PASS	
Proposers must have a minimum of two years of related lottery experience in instant ticket printing in North America and at least three current clients who are members of the North American Association of State and Provincial Lotteries.	Pass/Fail	PASS	
<b>Technical Scoring Criteria:</b>	<b>Possible Points</b>	<b>% of Total</b>	<b>Points Awarded</b>
The probable quality of the offered goods or services.	600	30%	510
The quality of the Proposer's past performance in contracting with the agency, with other state entities, or with private sector entities.	240	12%	204
The qualifications of the Proposer's personnel.	180	9%	153
The experience of the Proposer in providing the requested goods or services.	180	9%	135
<b>Technical Scoring Subtotal</b>	<b>1200</b>	<b>60%</b>	<b>1002</b>
<b>Cost Proposal Criteria:</b>			
The Proposer's price to provide the goods or services	800	40%	686
<b>Cost Proposal Scoring Subtotal</b>	<b>800</b>	<b>40%</b>	<b>686</b>
<b>TOTAL</b>	<b>2000</b>	<b>100%</b>	<b>1688</b>

*MICHAEL ANGER*

Evaluator Name

*[Signature]*

Signature

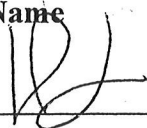
*3/8/12*

Date

**ATTACHMENT G  
SCORING MATRIX**

**PROPOSER NAME** POLLARD

<b>Instant Ticket Manufacturing and Services RFP</b>			
The financial status of the Proposer.	Pass/Fail	PASS	
Whether the Proposer made a good faith effort to reach the minority participation goals set forth by the Texas Lottery.	Pass/Fail	PASS	
Proposers must have a minimum of two years of related lottery experience in instant ticket printing in North America and at least three current clients who are members of the North American Association of State and Provincial Lotteries.	Pass/Fail	PASS	
<b>Technical Scoring Criteria:</b>	<b>Possible Points</b>	<b>% of Total</b>	<b>Points Awarded</b>
The probable quality of the offered goods or services.	600	30%	540
The quality of the Proposer's past performance in contracting with the agency, with other state entities, or with private sector entities.	240	12%	192
The qualifications of the Proposer's personnel.	180	9%	162
The experience of the Proposer in providing the requested goods or services.	180	9%	162
<b>Technical Scoring Subtotal</b>	<b>1200</b>	<b>60%</b>	<b>1056</b>
<b>Cost Proposal Criteria:</b>			
The Proposer's price to provide the goods or services	800	40%	598
<b>Cost Proposal Scoring Subtotal</b>	<b>800</b>	<b>40%</b>	<b>598</b>
<b>TOTAL</b>	<b>2000</b>	<b>100%</b>	<b>1654</b>

MICHAEL ANGER  
**Evaluator Name**  
  
**Signature**

3/8/12  
**Date**





**Instant Ticket Manufacturing and Services RFP 362-12-0001**

**Proposer: SCIENTIFIC GAMES INTERNATIONAL**

	Total Possible Points		1 MA	2 MRF	3 KP	4 JC	5 DB	Total	Average
The financial status of the Proposer.	Pass/Fail	n/a	Pass	Pass	Pass	Pass	Pass		
Whether the Proposer performed the good faith effort required by the HUB subcontracting plan.	Pass/Fail	n/a	Pass	Pass	Pass	Pass	Pass		
Proposers must have a minimum of two years of related lottery experience in instant ticket printing in North America and at least three current clients who are members of the North American Association of State and Provincial Lotteries.	Pass/Fail	n/a	Pass	Pass	Pass	Pass	Pass		
The probable quality of the offered goods and/or services.	600	30%	570	575	585	595	450	<b>2775</b>	<b>555</b>
The quality of the Proposer's past performance in contracting with the Texas Lottery Commission, with other state entities, or with private sector entities.	240	12%	228	235	230	235	240	<b>1168</b>	<b>234</b>
The qualifications of the Proposer's personnel.	180	9%	171	180	175	180	180	<b>886</b>	<b>177</b>
The experience of the Proposer in providing the requested goods or services.	180	9%	180	180	180	180	180	<b>900</b>	<b>180</b>
<b>Technical Proposal Subtotal</b>	<b>1200</b>	<b>60%</b>	<b>1149</b>	<b>1170</b>	<b>1170</b>	<b>1190</b>	<b>1050</b>	<b>5729</b>	<b>1146</b>
The Proposer's price to provide the goods or services	800	40%	800	800	800	800	800	<b>4000</b>	800
<b>Cost Proposal Subtotal</b>	<b>800</b>	<b>40%</b>	<b>800</b>	<b>800</b>	<b>800</b>	<b>800</b>	<b>800</b>	<b>4000</b>	<b>800</b>
<b>TOTAL</b>	<b>2000</b>	<b>100%</b>	<b>1949</b>	<b>1970</b>	<b>1970</b>	<b>1990</b>	<b>1850</b>		<b>1946</b>

**Instant Ticket Manufacturing and Services RFP 362-12-0001**

**Proposer: GTECH PRINTING CORP.**

	Total Possible Points		1 MA	2 MRF	3 KP	4 JC	5 DB	Total	Average
The financial status of the Proposer.	Pass/Fail	n/a	Pass	Pass	Pass	Pass	Pass		
Whether the Proposer performed the good faith effort required by the HUB subcontracting plan.	Pass/Fail	n/a	Pass	Pass	Pass	Pass	Pass		
Proposers must have a minimum of two years of related lottery experience in instant ticket printing in North America and at least three current clients who are members of the North American Association of State and Provincial Lotteries.	Pass/Fail	n/a	Pass	Pass	Pass	Pass	Pass		
The probable quality of the offered goods and/or services.	600	30%	510	550	550	580	550	2740	548
The quality of the Proposer's past performance in contracting with the Texas Lottery Commission, with other state entities, or with private sector entities.	240	12%	204	215	230	225	225	1099	220
The qualifications of the Proposer's personnel.	180	9%	153	180	170	180	180	863	173
The experience of the Proposer in providing the requested goods or services.	180	9%	135	175	150	150	150	760	152
<b>Technical Proposal Subtotal</b>	<b>1200</b>	<b>60%</b>	<b>1002</b>	<b>1120</b>	<b>1100</b>	<b>1135</b>	<b>1105</b>	<b>5462</b>	<b>1092</b>
The Proposer's price to provide the goods or services	800	40%	686	686	686	686	686	3430	686
<b>Cost Proposal Subtotal</b>	<b>800</b>	<b>40%</b>	<b>686</b>	<b>686</b>	<b>686</b>	<b>686</b>	<b>686</b>	<b>3430</b>	<b>686</b>
<b>TOTAL</b>	<b>2000</b>	<b>100%</b>	<b>1688</b>	<b>1806</b>	<b>1786</b>	<b>1821</b>	<b>1791</b>		<b>1778</b>

**Instant Ticket Manufacturing and Services RFP 362-12-0001**

**Proposer: POLLARD BANKNOTE LTD.**

	Total Possible Points		1 MA	2 MRF	3 KP	4 JC	5 DB	Total	Average
The financial status of the Proposer.	Pass/Fail	n/a	Pass	Pass	Pass	Pass	Pass		
Whether the Proposer performed the good faith effort required by the HUB subcontracting plan.	Pass/Fail	n/a	Pass	Pass	Pass	Pass	Pass		
Proposers must have a minimum of two years of related lottery experience in instant ticket printing in North America and at least three current clients who are members of the North American Association of State and Provincial Lotteries.	Pass/Fail	n/a	Pass	Pass	Pass	Pass	Pass		
The probable quality of the offered goods and/or services.	600	30%	540	560	560	590	500	2750	550
The quality of the Proposer's past performance in contracting with the Texas Lottery Commission, with other state entities, or with private sector entities.	240	12%	192	220	230	230	200	1072	214
The qualifications of the Proposer's personnel.	180	9%	162	180	175	180	170	867	173
The experience of the Proposer in providing the requested goods or services.	180	9%	162	180	160	180	170	852	170
<b>Technical Proposal Subtotal</b>	<b>1200</b>	<b>60%</b>	<b>1056</b>	<b>1140</b>	<b>1125</b>	<b>1180</b>	<b>1040</b>	<b>5541</b>	<b>1108</b>
The Proposer's price to provide the goods or services	800	40%	598	598	598	598	598	2990	598
<b>Cost Proposal Subtotal</b>	<b>800</b>	<b>40%</b>	<b>598</b>	<b>598</b>	<b>598</b>	<b>598</b>	<b>598</b>	<b>2990</b>	<b>598</b>
<b>TOTAL</b>	<b>2000</b>	<b>100%</b>	<b>1654</b>	<b>1738</b>	<b>1723</b>	<b>1778</b>	<b>1638</b>		<b>1706</b>

## Costs

**COST POINTS ALLOCATION**  
**Instant Ticket Manufacturing and Services RFP**  
**362-12-0001**

	<b>SGI</b>	<b>GPC</b>	<b>Pollard</b>
Cost based on Formula	\$18,526,938.25	\$21,606,853.94	\$24,800,701.57
Percentage of Lowest Cost	100.00%	85.75%	74.70%
Percentage of Points Awarded	100.00%	85.75%	74.70%
Total Points Available	800	800	800
<b>Total Points Awarded</b>	<b>800</b>	<b>686</b>	<b>598</b>

**Table 1 - 10 Point Virgin/Recyclable-Coated Two Sides  
Instant Ticket Manufacturing and Services RFP**

GPC

**Instructions:**

- 1) Enter base price supplied by vendor in the price column. Each column includes a protected formula to compute the total cost value based on weighted values.
- 2) Weighted values were predetermined and approved by the Lottery Operations Director. Table at the bottom of the chart reflects the color coding of cell and the % value associated with each cell.

Ticket Size	A 2.4" x 4"		B 4" x 4"			C 6" x 4"		D 8" x 4"			
	250	150	250	150	125	150	125	125	75	50	25
20,000										\$1,283.39	\$1,305.12
120,000		\$201.94			\$209.20						
240,000		\$108.39			\$112.16						
360,000		\$77.22			\$79.94						
480,000		\$61.62			\$63.93						
600,000		\$51.93			\$53.66						
720,000		\$45.35			\$46.84						
840,000		\$40.51			\$42.81						
960,000		\$37.03			\$39.52						
1,000,000	\$35.19	\$36.01	\$37.09	\$37.95	\$38.42	\$45.74	\$46.24	\$53.23	\$54.45	\$54.66	\$59.86
2,000,000	\$20.45	\$21.26	\$24.61	\$25.47	\$25.95	\$29.23	\$29.72	\$34.91	\$36.03	\$38.67	\$42.92
3,000,000	\$15.67	\$16.48	\$19.74	\$20.60	\$21.06	\$24.37	\$24.86	\$29.58	\$30.66	\$33.30	\$37.55
4,000,000	\$13.08	\$13.90	\$17.05	\$17.91	\$18.37	\$21.98	\$22.46	\$26.86	\$27.90	\$29.81	\$34.81
5,000,000	\$11.75	\$12.56	\$15.52	\$16.38	\$16.86	\$20.03	\$20.53	\$25.13	\$26.17	\$28.81	\$33.07
6,000,000	\$10.71	\$11.52	\$14.58	\$15.44	\$15.90	\$19.49	\$19.99	\$23.91	\$24.93	\$27.58	\$31.85
7,000,000	\$10.00	\$10.82	\$13.82	\$14.68	\$15.16	\$18.66	\$19.15	\$23.23	\$24.26	\$26.89	\$31.16
8,000,000	\$9.51	\$10.32	\$13.41	\$14.27	\$14.74	\$17.74	\$18.23	\$22.82	\$23.84	\$26.48	\$30.74
9,000,000	\$9.07	\$9.88	\$12.97	\$13.83	\$14.29	\$17.55	\$18.05	\$22.25	\$23.27	\$25.91	\$30.16
10,000,000	\$8.86	\$9.67	\$12.60	\$13.46	\$13.93	\$17.06	\$17.54	\$22.02	\$23.03	\$25.67	\$29.92
12,000,000	\$8.39	\$9.20	\$12.18	\$13.04	\$13.51	\$16.69	\$17.19	\$21.66	\$22.68	\$25.30	\$29.57
15,000,000	\$7.83	\$8.66	\$11.57	\$12.43	\$12.90	\$16.03	\$16.53	\$21.03	\$22.03	\$24.67	\$28.93
20,000,000	\$7.41	\$8.23	\$11.03	\$11.89	\$12.36	\$15.42	\$15.91	\$20.36	\$21.36	\$24.01	\$28.26
30,000,000	\$6.83	\$7.64	\$10.61	\$11.47	\$11.94	\$15.04	\$15.52	\$20.00	\$21.00	\$23.64	\$27.89
50,000,000	\$6.59	\$7.40	\$10.41	\$11.27	\$11.74	\$14.73	\$15.23	\$19.68	\$20.67	\$23.30	\$27.56
75,000,000	\$6.47	\$7.27	\$10.28	\$11.13	\$11.60	\$14.61	\$15.10	\$19.56	\$20.55	\$23.17	\$27.41
100,000,000	\$6.41	\$7.20	\$10.21	\$11.06	\$11.52	\$14.56	\$15.04	\$19.49	\$20.48	\$23.10	\$27.35
Cost	\$264,172.00	\$819,024.04	\$399,667.00	\$430,194.00	\$1,031,021.76	\$557,199.00	\$674,702.62	\$733,653.00	\$1,473,298.00	\$1,644,488.28	\$1,017,426.24

Ticket Size	E 10" x 4"		F 12" x 4"				G 6" x 8"	
	50	25	75	50	25	20	20	10
1,000,000	\$61.98	\$66.26	\$64.47	\$67.01	\$71.11	\$74.52	\$80.01	\$99.57
2,000,000	\$43.30	\$47.56	\$45.53	\$48.08	\$52.18	\$55.58	\$60.28	\$79.80
3,000,000	\$37.97	\$42.24	\$40.23	\$42.78	\$46.88	\$50.29	\$54.77	\$74.30
4,000,000	\$35.40	\$39.65	\$37.67	\$40.23	\$44.34	\$47.74	\$52.04	\$71.60
5,000,000	\$33.38	\$37.64	\$35.36	\$37.93	\$42.02	\$45.42	\$49.59	\$69.14
6,000,000	\$32.18	\$36.43	\$34.32	\$36.89	\$32.18	\$44.40	\$48.51	\$68.07
7,000,000	\$31.51	\$35.78	\$33.68	\$36.24	\$40.35	\$43.76	\$47.83	\$67.39
8,000,000	\$30.78	\$35.05	\$32.66	\$35.22	\$39.32	\$42.73	\$46.71	\$66.26
9,000,000	\$30.23	\$34.48	\$32.07	\$34.64	\$38.74	\$42.15	\$46.11	\$65.67
10,000,000	\$29.99	\$34.24	\$31.85	\$34.43	\$38.54	\$41.94	\$45.90	\$65.46
12,000,000	\$29.66	\$33.92	\$31.53	\$34.10	\$38.21	\$41.61	\$45.63	\$65.17
15,000,000	\$28.95	\$33.22	\$30.75	\$33.32	\$37.42	\$40.83	\$44.75	\$64.29
20,000,000	\$28.27	\$32.52	\$30.03	\$32.60	\$36.70	\$40.10	\$43.95	\$63.47
30,000,000	\$27.89	\$32.15	\$29.68	\$32.26	\$36.36	\$39.76	\$43.62	\$63.14
50,000,000	\$27.54	\$31.80	\$29.34	\$31.91	\$36.02	\$39.40	\$43.25	\$62.78
75,000,000	\$27.40	\$31.66	\$29.19	\$31.76	\$35.90	\$39.25	\$43.08	\$62.53
100,000,000	\$27.34	\$31.59	\$29.14	\$31.71	\$35.79	\$39.17	\$42.99	\$62.42

Cost \$1,016,112.00 \$1,760,191.00 \$1,081,465.00 \$1,173,222.00 \$1,319,776.00 \$2,288,098.00 \$1,579,344.00 \$2,275,077.00

NOTE: INTERMEDIATE QUANTITIES WILL BE DETERMINED BY INTERPOLATION

Base Cost \$21,538,130.94

**Specified Options to be negotiated to establish a common price:**

1. Cost per thousand tickets for fluorescent inks (other than required by fluorescent benday)
2. Cost per thousand tickets for metallic inks
3. Cost per thousand tickets for dual color game data imaging
4. Cost per thousand tickets for full ultraviolet coating in display area

Assume ticket count	Ticket Size	Cost	
6,000,000	4 x 8	\$0.07	per sq. in.
6,000,000	4 x 8	\$0.07	per sq. in.
6,000,000	4 x 8	\$2.20	per sq. in.
6,000,000	4 x 8	\$0.08	per sq. in.

Cost	
\$1,344.00	
\$1,344.00	
\$47,240.00	revised formula to add \$5000 set up cost
\$1,536.00	

**Other Specified Options:**

1. Cost per thousand tickets for any reduction for colors less than ten (10).
2. Cost per thousand tickets for multiple scenes or continuous scene game
3. Cost per thousand tickets for color pulsing - color changes within a press run
4. Cost per thous. tickets for marking process other than full opaque security coating covering
5. Cost for cylinder or plate change before or during production
6. Cost per thousand tickets difference for multiple games across the web
7. Price per square inch for foil ticket stock
8. Price per square inch for holographic ticket stock

Assume ticket count	Ticket Size	Cost		
6,000,000	n/a	\$0.00	price decrease per color	\$0.00 no reduction
6,000,000	n/a	\$0.15	per thousand	\$45.00 * Exclude to remain consistent across responses
6,000,000	n/a	\$2,500.00	per thousand	\$750,000.00 * \$2,500 per color pulse
6,000,000	n/a	\$0.12	per thousand	\$36.00 * No charge for GPC developed Magic Scratch. \$ .12 per \$1,000 when using Player's Mark
	n/a	\$1,500.00	per item	\$75.00
6,000,000	n/a	(\$1,000.00)	per thousand	(\$300,000.00) * Deduct \$1,000 for each additional game across the web up to maximum discount per press of \$3,000
6,000,000	4 x 8	\$0.29	per sq. in.	\$2,784.00
6,000,000	4 x 8	\$1.50	per sq. in.	\$14,400.00

Weighted Value:	75.00%
	10.00%
	10.00%
	5.00%
	100.00%

**Options Cost \$68,723.00**

**Total Cost \$21,606,853.94**

**The following formula will be used in scoring cost proposals:**

Lowest Cost Proposal Amount/Other Cost Proposal Amount = % of total points available for the Cost Proposal.

\* Cost excluded from Options Cost and Total cost to remain consistent across responses

**Table 1 - 10 Point Virgin/Recyclable-Coated Two Sides  
Instant Ticket Manufacturing and Services RFP**

**Instructions:**

- 1) Enter base price supplied by vendor in the price column. Each column includes a protected formula to compute the total cost value based on weighted values.
- 2) Weighted values were predetermined and approved by the Lottery Operations Director. Table at the bottom of the chart reflects the color coding of cell and the % value associated with each cell.

Ticket Size	A 2.4" x 4"		B 4" x 4"			C 6" x 4"		D 8" x 4"			
	250	150	250	150	125	150	125	125	75	50	25
20,000									\$1,027.33	\$1,028.00	\$1,030.00
120,000		\$175.13			\$180.47						
240,000		\$91.80			\$97.13						
360,000		\$64.02			\$69.36						
480,000		\$50.13			\$55.47						
600,000		\$41.80			\$47.13						
720,000		\$36.24			\$41.58						
840,000		\$32.28			\$37.61						
960,000		\$29.30			\$34.63						
1,000,000	\$28.20	\$28.47	\$33.40	\$33.67	\$33.80	\$40.17	\$40.30	\$46.80	\$47.33	\$48.00	\$50.00
2,000,000	\$18.20	\$18.47	\$23.40	\$23.67	\$23.80	\$30.17	\$30.30	\$36.80	\$37.33	\$38.00	\$40.00
3,000,000	\$14.87	\$15.13	\$20.07	\$20.33	\$20.47	\$26.83	\$26.97	\$33.47	\$34.00	\$34.67	\$36.67
4,000,000	\$13.20	\$13.47	\$18.40	\$18.67	\$18.80	\$25.17	\$25.30	\$31.80	\$32.33	\$33.00	\$35.00
5,000,000	\$12.20	\$12.47	\$17.40	\$17.67	\$17.80	\$24.17	\$24.30	\$30.80	\$31.33	\$32.00	\$34.00
6,000,000	\$11.53	\$11.80	\$16.73	\$17.00	\$17.13	\$23.50	\$23.63	\$30.13	\$30.67	\$31.33	\$33.33
7,000,000	\$11.06	\$11.32	\$16.26	\$16.52	\$16.66	\$23.02	\$23.16	\$29.66	\$30.19	\$30.86	\$32.86
8,000,000	\$10.70	\$10.97	\$15.90	\$16.17	\$16.30	\$22.67	\$22.80	\$29.30	\$29.83	\$30.50	\$32.50
9,000,000	\$10.42	\$10.69	\$15.62	\$15.89	\$16.02	\$22.39	\$22.52	\$29.02	\$29.56	\$30.22	\$32.22
10,000,000	\$10.20	\$10.47	\$15.40	\$15.67	\$15.80	\$22.17	\$22.30	\$28.80	\$29.33	\$30.00	\$32.00
12,000,000	\$9.87	\$10.13	\$15.07	\$15.33	\$15.47	\$21.83	\$21.97	\$28.47	\$29.00	\$29.67	\$31.67
15,000,000	\$9.53	\$9.80	\$14.73	\$15.00	\$15.13	\$21.50	\$21.63	\$28.13	\$28.67	\$29.33	\$31.33
20,000,000	\$9.20	\$9.47	\$14.40	\$14.67	\$14.80	\$21.17	\$21.30	\$27.80	\$28.33	\$29.00	\$31.00
30,000,000	\$8.87	\$9.13	\$14.07	\$14.33	\$14.47	\$20.83	\$20.97	\$27.47	\$28.00	\$28.67	\$30.67
50,000,000	\$8.60	\$8.87	\$13.80	\$14.07	\$14.20	\$20.57	\$20.70	\$27.20	\$27.73	\$28.40	\$30.40
75,000,000	\$8.47	\$8.73	\$13.67	\$13.93	\$14.07	\$20.43	\$20.57	\$27.07	\$27.60	\$28.27	\$30.27
100,000,000	\$8.40	\$8.67	\$13.60	\$13.87	\$14.00	\$20.37	\$20.50	\$27.00	\$27.53	\$28.20	\$30.20
<b>Cost</b>	<b>\$326,773.00</b>	<b>\$923,736.82</b>	<b>\$512,413.00</b>	<b>\$521,925.00</b>	<b>\$1,196,750.06</b>	<b>\$753,975.00</b>	<b>\$864,836.19</b>	<b>\$990,793.00</b>	<b>\$1,887,250.50</b>	<b>\$1,932,656.50</b>	<b>\$1,107,093.00</b>

Ticket Size	E 10" x 4"		F 12" x 4"				G 6" x 8"	
	50	25	75	50	25	20	20	10
1,000,000	\$54.50	\$56.50	\$60.33	\$61.00	\$63.00	\$64.00	\$64.00	\$69.00
2,000,000	\$44.50	\$46.50	\$50.33	\$51.00	\$53.00	\$54.00	\$54.00	\$59.00
3,000,000	\$41.17	\$43.17	\$47.00	\$47.67	\$49.67	\$50.67	\$50.67	\$55.67
4,000,000	\$39.50	\$41.50	\$45.33	\$46.00	\$48.00	\$49.00	\$49.00	\$54.00
5,000,000	\$38.50	\$40.50	\$44.33	\$45.00	\$47.00	\$48.00	\$48.00	\$53.00
6,000,000	\$37.83	\$39.83	\$43.67	\$44.33	\$46.33	\$47.33	\$47.33	\$52.33
7,000,000	\$37.36	\$39.36	\$43.19	\$43.86	\$45.86	\$46.86	\$46.86	\$51.86
8,000,000	\$37.00	\$39.00	\$42.83	\$43.50	\$45.50	\$46.50	\$46.50	\$51.50
9,000,000	\$36.72	\$38.72	\$42.56	\$43.22	\$45.22	\$46.22	\$46.22	\$51.22
10,000,000	\$36.50	\$38.50	\$42.33	\$43.00	\$45.00	\$46.00	\$46.00	\$51.00
12,000,000	\$36.17	\$38.17	\$42.00	\$42.67	\$44.67	\$45.67	\$45.67	\$50.67
15,000,000	\$35.83	\$37.83	\$41.67	\$42.33	\$44.33	\$45.33	\$45.33	\$50.33
20,000,000	\$35.50	\$37.50	\$41.33	\$42.00	\$44.00	\$45.00	\$45.00	\$50.00
30,000,000	\$35.17	\$37.17	\$41.00	\$41.67	\$43.67	\$44.67	\$44.67	\$49.67
50,000,000	\$34.90	\$36.90	\$40.73	\$41.40	\$43.40	\$44.40	\$44.40	\$49.40
75,000,000	\$34.77	\$36.77	\$40.60	\$41.27	\$43.27	\$44.27	\$44.27	\$49.27
100,000,000	\$34.70	\$36.70	\$40.53	\$41.20	\$43.20	\$44.20	\$44.20	\$49.20
<b>Cost</b>	<b>\$1,265,683.00</b>	<b>\$1,982,227.50</b>	<b>\$1,473,844.00</b>	<b>\$1,497,733.00</b>	<b>\$1,569,133.00</b>	<b>\$2,546,098.00</b>	<b>\$1,604,833.00</b>	<b>\$1,783,333.00</b>

NOTE: INTERMEDIATE QUANTITIES WILL BE DETERMINED BY INTERPOLATION

**Base Cost \$24,741,086.57**



**PBL**

**Specified Options to be negotiated to establish a common price:**

- 1. Cost per thousand tickets for fluorescent inks (other than required by fluorescent benday)
- 2. Cost per thousand tickets for metallic inks
  
- 3. Cost per thousand tickets for dual color game data imaging
- 4. Cost per thousand tickets for full ultraviolet coating in display area

Assume ticket count	Ticket Size	Cost	
6,000,000	4 x 8	\$0.12	per sq. in. <b>\$2,304.00</b>
6,000,000	4 x 8	\$0.25	per sq. in. <b>\$4,800.00</b>
6,000,000	4 x 8	\$0.23	per sq. in. <b>\$8,916.00</b>
6,000,000	4 x 8	\$0.10	per sq. in. <b>\$1,920.00</b>

revised formula to add \$4500 set up

**Other Specified Options:**

- 1. Cost per thousand tickets for any reduction for colors less than ten (10).
- 2. Cost per thousand tickets for multiple scenes or continuous scene game
- 3. Cost per thousand tickets for color pulsing - color changes within a press run
- 4. Cost per thous. tickets for marking process other than full opaque security coating covering
- 5. Cost for cylinder or plate change before or during production
  
- 6. Cost per thousand tickets difference for multiple games across the web
- 7. Price per square inch for foil ticket stock
  
- 8. Price per square inch for holographic ticket stock

Assume ticket count	Ticket Size	price decrease per color		Cost	
6,000,000	n/a	\$0.00	price decrease per color	\$0.00	no reduction
6,000,000	n/a	\$1,500.00	per thousand	\$450,000.00 *	\$1500 per additional scene
6,000,000	n/a	\$3,000.00	per thousand	\$900,000.00 *	Exclude to remain consistent across responses
6,000,000	n/a	\$0.07	per thousand	\$21.00 *	various cost provided for marking process
	n/a	\$1,500.00	per item	\$75.00	
6,000,000	n/a	(\$2,000.00)	per thousand	(\$600,000.00) *	Deduct \$2000 for each additional printed across the multiple game web credit to ap
6,000,000	4 x 8	\$0.25	per sq. in.	\$2,400.00	
6,000,000	4 x 8	\$2.00	per sq. in.	\$39,200.00	formula to add \$20000 lump sum cost

Weighted Value:

75.00%
10.00%
10.00%
5.00%
100.00%

**Options Cost \$59,615.00**

**Total Cost \$24,800,701.57**

The following formula will be used in scoring cost proposals:  
 Lowest Cost Proposal Amount/Other Cost Proposal Amount = % of total points available for the Cost Proposal.

\* Cost excluded from Options Cost and Total cost to remain consistent across responses

**Table 1 - 10 Point Virgin/Recyclable-Coated Two Sides  
Instant Ticket Manufacturing and Services RFP**

**Instructions:**

- 1) Enter base price supplied by vendor in the price column. Each column includes a protected formula to compute the total cost value based on weighted values.
- 2) Weighted values were predetermined and approved by the Lottery Operations Director. Table at the bottom of the chart reflects the color coding of cell and the % value associated with each cell.

Ticket Size	A 2.4" x 4"		B 4" x 4"			C 6" x 4"		D 8" x 4"			
	250	150	250	150	125	150	125	125	75	50	25
20,000									\$685.00	\$687.00	\$689.00
120,000		\$223.57									
240,000		\$119.31									
360,000		\$84.56									
480,000		\$67.19									
600,000		\$56.37									
720,000		\$49.04									
840,000		\$43.63									
960,000		\$39.77									
1,000,000	\$38.16	\$38.61	\$39.36	\$39.85	\$40.16	\$46.87	\$47.20	\$53.60	\$53.87	\$53.06	\$55.34
2,000,000	\$21.74	\$22.19	\$25.67	\$26.16	\$26.47	\$29.21	\$29.53	\$34.21	\$34.48	\$36.21	\$37.53
3,000,000	\$16.40	\$16.85	\$20.32	\$20.81	\$21.12	\$24.00	\$24.32	\$28.56	\$28.83	\$30.56	\$31.87
4,000,000	\$13.53	\$13.98	\$17.37	\$17.86	\$18.17	\$21.45	\$21.77	\$25.67	\$25.94	\$26.90	\$28.99
5,000,000	\$12.04	\$12.49	\$15.71	\$16.20	\$16.51	\$19.37	\$19.69	\$23.84	\$24.11	\$25.85	\$27.16
6,000,000	\$10.88	\$11.33	\$14.66	\$15.15	\$15.46	\$18.78	\$19.10	\$22.54	\$22.81	\$24.55	\$25.87
7,000,000	\$10.09	\$10.54	\$13.84	\$14.33	\$14.64	\$17.89	\$18.22	\$21.82	\$22.09	\$23.83	\$25.14
8,000,000	\$9.54	\$9.99	\$13.38	\$13.87	\$14.18	\$16.91	\$17.23	\$21.39	\$21.66	\$23.40	\$24.71
9,000,000	\$9.05	\$9.50	\$12.90	\$13.39	\$13.70	\$16.72	\$17.04	\$20.78	\$21.05	\$22.79	\$24.10
10,000,000	\$8.81	\$9.26	\$12.50	\$12.99	\$13.30	\$16.18	\$16.50	\$20.53	\$20.80	\$22.54	\$23.85
12,000,000	\$8.29	\$8.74	\$12.04	\$12.53	\$12.84	\$15.79	\$16.12	\$20.15	\$20.42	\$22.16	\$23.47
15,000,000	\$7.68	\$8.13	\$11.37	\$11.86	\$12.16	\$15.09	\$15.41	\$19.48	\$19.75	\$21.49	\$22.80
20,000,000	\$7.20	\$7.65	\$10.77	\$11.27	\$11.57	\$14.43	\$14.75	\$18.78	\$19.06	\$20.79	\$22.10
30,000,000	\$6.55	\$7.00	\$10.32	\$10.81	\$11.12	\$14.02	\$14.34	\$18.39	\$18.66	\$20.40	\$21.71
50,000,000	\$6.29	\$6.74	\$10.10	\$10.59	\$10.90	\$13.69	\$14.02	\$18.05	\$18.32	\$20.05	\$21.36
75,000,000	\$6.15	\$6.59	\$9.95	\$10.43	\$10.74	\$13.56	\$13.88	\$17.92	\$18.19	\$19.91	\$21.21
100,000,000	\$6.08	\$6.52	\$9.87	\$10.36	\$10.66	\$13.50	\$13.81	\$17.85	\$18.12	\$19.83	\$21.13
<b>Cost</b>	<b>\$256,587.00</b>	<b>\$770,523.48</b>	<b>\$391,095.00</b>	<b>\$408,533.00</b>	<b>\$975,578.66</b>	<b>\$522,194.00</b>	<b>\$632,817.61</b>	<b>\$677,380.00</b>	<b>\$1,327,503.50</b>	<b>\$1,438,770.50</b>	<b>\$796,452.00</b>

Ticket Size	E 10" x 4"		F 12" x 4"			G 6" x 8"		
	50	25	75	50	25	20	10	
1,000,000	\$59.91	\$61.21	\$63.20	\$64.80	\$65.97	\$67.94	\$73.69	\$86.24
2,000,000	\$40.41	\$41.71	\$43.44	\$45.04	\$46.20	\$48.18	\$53.10	\$65.63
3,000,000	\$34.85	\$36.15	\$37.92	\$39.52	\$40.68	\$42.66	\$47.35	\$59.89
4,000,000	\$32.16	\$33.47	\$35.24	\$36.86	\$38.02	\$40.00	\$44.50	\$57.08
5,000,000	\$30.06	\$31.37	\$32.83	\$34.45	\$35.62	\$37.60	\$41.94	\$54.51
6,000,000	\$28.80	\$30.10	\$31.76	\$33.38	\$34.54	\$36.52	\$40.82	\$53.39
7,000,000	\$28.12	\$29.42	\$31.09	\$32.70	\$33.87	\$35.85	\$40.11	\$52.68
8,000,000	\$27.35	\$28.66	\$30.02	\$31.64	\$32.80	\$34.78	\$38.94	\$51.51
9,000,000	\$26.77	\$28.07	\$29.41	\$31.03	\$32.19	\$34.17	\$38.31	\$50.88
10,000,000	\$26.52	\$27.82	\$29.19	\$30.81	\$31.98	\$33.95	\$38.10	\$50.66
12,000,000	\$26.18	\$27.48	\$28.84	\$30.47	\$31.64	\$33.61	\$37.80	\$50.36
15,000,000	\$25.45	\$26.75	\$28.04	\$29.66	\$30.82	\$32.80	\$36.91	\$49.45
20,000,000	\$24.72	\$26.02	\$27.27	\$28.90	\$30.06	\$32.03	\$36.06	\$48.59
30,000,000	\$24.33	\$25.63	\$26.91	\$28.54	\$29.70	\$31.68	\$35.71	\$48.24
50,000,000	\$23.97	\$25.27	\$26.54	\$28.18	\$29.34	\$31.31	\$35.34	\$47.86
75,000,000	\$23.83	\$25.12	\$26.40	\$28.03	\$29.18	\$31.14	\$35.15	\$47.61
100,000,000	\$23.76	\$25.04	\$26.34	\$27.96	\$29.11	\$31.07	\$35.06	\$47.49
<b>Cost</b>	<b>\$890,075.00</b>	<b>\$1,425,475.50</b>	<b>\$983,427.00</b>	<b>\$1,041,479.00</b>	<b>\$1,082,751.00</b>	<b>\$1,833,388.00</b>	<b>\$1,298,164.00</b>	<b>\$1,744,156.00</b>

NOTE: INTERMEDIATE QUANTITIES WILL BE DETERMINED BY INTERPOLATION

**Base Cost \$18,496,350.25**

**SGI**

**Specified Options to be negotiated to establish a common price:**

1. Cost per thousand tickets for fluorescent inks (other than required by fluorescent benday)
2. Cost per thousand tickets for metallic inks
3. Cost per thousand tickets for dual color game data imaging
4. Cost per thousand tickets for full ultraviolet coating in display area

Assume ticket count	Ticket Size	Cost	
6,000,000	4 x 8	\$0.10	per sq. in. \$1,920.00
6,000,000	4 x 8	\$0.12	per sq. in. \$2,304.00
6,000,000	4 x 8	\$0.30	per sq. in. \$5,760.00
6,000,000	4 x 8	\$0.08	per sq. in. \$1,536.00

**Other Specified Options:**

1. Cost per thousand tickets for any reduction for colors less than ten (10).
2. Cost per thousand tickets for multiple scenes or continuous scene game
3. Cost per thousand tickets for color pulsing - color changes within a press run
4. Cost per thous. tickets for marking process other than full opaque security coating covering
5. Cost for cylinder or plate change before or during production
6. Cost per thousand tickets difference for multiple games across the web
7. Price per square inch for foil ticket stock
8. Price per square inch for holographic ticket stock

Assume ticket count	Ticket Size	Cost		
6,000,000	n/a	(\$0.05)	price decrease per color	(\$15.00) Exclude to remain consistent across responses
6,000,000	n/a	\$0.20	per thousand	\$60.00 * Exclude to remain consistent across responses
6,000,000	n/a	\$0.50	per thousand	\$150.00 * various cost provided for marking process
6,000,000	n/a	\$0.00	per thousand	\$0.00 * no reduction
	n/a	\$1,500.00	per item	\$75.00
6,000,000	n/a	\$0.00	per thousand	\$0.00
6,000,000	4 x 8	\$0.40	per sq. in.	\$3,840.00
6,000,000	4 x 8	\$1.58	per sq. in.	\$15,168.00

Weighted Value:

75.00%
10.00%
10.00%
5.00%
100.00%

**Options Cost \$30,588.00**

**Total Cost \$18,526,938.25**

**The following formula will be used in scoring cost proposals:**

Lowest Cost Proposal Amount/Other Cost Proposal Amount = % of total points available for the Cost Proposal.

**\* Cost excluded from Options Cost and Total cost to remain consistent across responses**