

STATE OF ILLINOIS

SOLICITATION DOCUMENT

Lottery ICS Scripted Testing LOT-11-ICSTEST, PBC11-60108

The Illinois Department of Revenue (AGENCY) is requesting Offers (bids / proposals) from responsible Vendors to meet the State's needs. Below is a brief description of our needs with detailed requirements in subsequent sections of this solicitation. If you are interested and able to meet these requirements, please submit an Offer.

We are issuing this solicitation in the following form and you must take that into account when reading and responding:

- ☐ Invitation for Bids
- ☒ Request for Proposals
- ☐ Request for Proposals (Professional and Artistic Services)

Brief Description:

The Illinois Lottery is seeking proposals from qualified vendors to provide scripted testing for an Internal Control System (ICS) which independently verifies transactions processed by our Central Gaming System (CGS.) The Illinois Lottery is issuing this Request for Proposals (RFP) to invite interested entities to submit written offers for testing the ICS. The ICS testing will be conducted in phases. Phase 1 includes testing standards, as defined in Section 3.2, for ICS functionality to be implemented July 26, 2011 when the new ICS and CGS will commence parallel processing with existing systems. Phase 1 also includes any supplemental testing required to address issues that arise during parallel processing and before system go-live on August 21, 2011. Phase 2 includes testing standards as defined in section 3.2 for ICS functionality to be implemented before December 30, 2011. Vendor may be requested to perform additional testing during the contract term if modifications or enhancements to the ICS are developed or if regression testing after operating system software patching is required.

For more information regarding the configuration and functionality of the Illinois Lottery's ICS, please refer to the ICS Solicitation document on the Illinois Procurement Bulletin (IPB), IPB Reference #22020649, Agency reference number LOT-11-ICS.

The solicitation package consists of two parts:

Part A INSTRUCTIONS FOR SUBMITTING AND EVALUATING BIDS AND PROPOSALS: Part A consists of the following sections:

- SECTION 1 INSTRUCTIONS, DATES, RESERVATIONS AND OTHER GENERAL INFORMATION
- SECTION 2 HOW WE WILL EVALUATE OFFERS
- SECTION 3 SPECIFICATIONS / QUALIFICATIONS / STATEMENT OF WORK

These sections provide information necessary for submitting an Offer (a bid or proposal), set forth the basic legal and policy requirements associated with this solicitation and tell how we will evaluate Offers.

Part B OFFER RESPONSE FORMS: Part B consists of the following sections:

- SECTION 4 OFFER TO STATE OF ILLINOIS
- SECTION 5 RESPONSIBILITY FORMS
- SECTION 6 RESPONSIVENESS
- SECTION 7 PRICE
- SECTION 8 CONTRACT

Your response to Part B will constitute your Offer to the State and will provide us with information about you, what you will provide, your ability to perform and your price. We will evaluate this information as well as compliance with the Instructions.

In this document the State of Illinois will be referred to as "State", "Agency", "we" or "us". The person submitting an Offer will be referred to as "Vendor", "Contractor" or "You". "We" is used appropriate to the context.

Please read the entire solicitation package and submit your Offer for evaluation in accordance with all instructions.

Public Act 95-971 contains registration requirements regarding bids and proposals submitted by vendors. You must read and comply with the requirements. See www.purchase.state.il.us for additional information.

NON-DISCRIMINATION POLICY In compliance with the State and Federal Constitutions, the Illinois Human Rights Act, the U.S. Civil Rights Act, and Section 504 of the Federal Rehabilitation Act, the State of Illinois does not discriminate in employment, contracts, or any other activity.

SECTION 1 - INSTRUCTIONS, DATES, RESERVATIONS AND OTHER GENERAL INFORMATION

1.1 PROJECT CONTACT: If you have a question or suspect an error, you must immediately notify the Project Contact identified in this section. Do not discuss the solicitation or your Offer, directly or indirectly, with any State officer or employee other than the State Project Contact. Only written answers to questions shall be binding on the State.

Cathy Hubbs
Department of Revenue
101 W. Jefferson, MC 6-100
Springfield, Illinois 62702
Cathy.Hubbs@illinois.gov

Phone: 217-782-5915
Fax: 217-524-2551
TDD: 217-524-4115

1.2 VENDOR CONFERENCE / SITE VISIT: ☐ Yes ☒ No
Date and Time:

Mandatory Attendance: ☐ Yes ☒ No
Location:

1.3 OFFER DUE DATE, TIME AND SUBMISSION LOCATION: Due Date: June 7, 2011 Time: 2:00 p.m. CDT

DELIVER OFFERS TO:

Department of Revenue
Cathy Hubbs
101 W. Jefferson, MC6-100
Springfield, Illinois 62702

LABEL OUTSIDE OF ENVELOPE / CONTAINER:

Lottery ICS Scripted Testing, LOT-11-ICSTEST
6/7/2011, 2:00 p.m.
[Vendor Name & Address]

We will open Offers at the Due Date, Time and Delivery Location. Prior to the due date, you may mail or hand-deliver Offers, modifications, and withdrawals. We do not allow e-mail, fax, or other electronic submissions. We must physically receive submissions as specified; it is not sufficient to show you mailed or commenced delivery before the due date and time. We will not consider Offers, modifications or withdrawals submitted after the due date and time. All times are State of Illinois local times.

1.4 NUMBER OF COPIES: You must submit a signed original and 6 copies of the Offer in a sealed container. In addition, you must submit 7 copies on CD in Word or PDF so that we can easily search your proposal. If this is an RFP of either type you must submit separate CDs for technical and price with the price CD sealed in the pricing envelope. If you are requesting confidential treatment, you must make that request in the form and manner specified elsewhere in this solicitation. A request for confidential treatment will not supersede the Department's legal obligations under Illinois Freedom of Information Act (FOIA) (5 ILCS 140). If Minority, Female, and Person with Disability Subcontracting is marked "YES", you must also submit one (1) original and one (1) copy of your Utilization Plan in a separate sealed envelope within your Offer container.

In accordance with Public Act 95-971, if you are required to submit the State Board of Elections Registration Certificate and fail to do so, your bid / proposal will be disqualified.

1.5 OFFER FIRM TIME: Your Offer must remain firm for 90 days from opening.

1.6 SECURITY: Bid Bond \$ N/A Performance Bond \$ 100,000.00. You must submit the Bid Bond with the Offer and the Performance Bond within 10 days after award. The bond must be from a surety licensed to do business in Illinois. An irrevocable letter of credit is an acceptable substitute. The form of security must be acceptable to us.

1.7 PROTEST REVIEW OFFICE:

CHIEF PROCUREMENT OFFICER
ATTN: PROTEST REVIEW OFFICE
401 S. SPRING STREET
SUITE 301 STRATTON OFFICE BUILDING
SPRINGFIELD, ILLINOIS 62706

PHONE: 217/558-2127
FAX: 217/558-2164
TDD: 1-800-526-0844

You may submit a written protest of our actions to the PROTEST REVIEW OFFICE following the requirements of the Standard Procurement Rules (44 Ill. Adm. Code 1.5550). We must physically receive the protest by noon of the seventh calendar day after you knew or should have known of the facts giving rise to the protest.

1.8 SMALL BUSINESS SET-ASIDE: ☐ Yes ☒ No. If "Yes" is marked, you must be certified by the Small Business Set-Aside Program at the time Offers are due in order for us to evaluate your Offer. For complete requirements and to certify your business in the Small Business Set-Aside Program, visit http://www.sell2.illinois.gov/bep/Set_Aside.htm.

1.9 MINORITY, FEMALE AND PERSONS WITH DISABILITY SUBCONTRACTING: ☐ Yes ☒ No. If "Yes" is marked, this solicitation contains a goal to include businesses owned and controlled by minorities, females and persons with disabilities in the State's procurement and
Revision 12-14-10

contracting processes. In addition to the number of copies requested above, **you must submit an original and 1 copy of the Utilization Plan and Letter of Intent, sealed separately within the offer container.** Failure to submit a Utilization Plan as instructed later in this solicitation will render the offer non-responsive. All questions regarding the subcontracting goal must be directed to Susan Hartman at Susan.Hartman@illinois.gov or (312) 814-2200, prior to submission of bids or proposals. Vendors who submit bids or proposals for State contracts shall not be given a period after the bid or proposal is submitted to cure deficiencies in the Utilization Plan and the Letter of intent, unless mandated by federal law or regulation (30 ILCS 575(4)(c)). Firms included on Utilization Plans as meeting BEP requirements as prime or sub-contractors must be certified by CMS as BEP vendors prior to contract award. Go to http://www.sell2.illinois.gov/bep/Business_Enterprise.htm for complete requirements for BEP certification.

1.10 PUBLIC CONTRACTS NUMBER: (775 ILCS 5/2-105) If you do not have a Department of Human Rights' (DHR) Public Contracts Number or have not submitted a completed application to DHR for one before opening we may not be able to consider your Offer. Please contact DHR at 312-814-2431 or visit <http://www.state.il.us/dhr/index.htm> for forms and details.

1.11 ILLINOIS PROCUREMENT BULLETIN (Bulletin): We publish procurement information (including updates) in the electronic Bulletin (<http://www.purchase.state.il.us>). Procurement information may not be available in any other form or location. You are responsible for monitoring the Bulletin; we cannot be held responsible if you fail to receive the optional e-mail notices.

1.12 AWARD: We will post a notice to the Bulletin identifying the apparent awardee. The notice extends the Offer Firm Time until we sign a contract or determine not to sign a contract. We may accept or reject your Offer as submitted, or may require contract negotiations. If negotiations do not result in an acceptable agreement, we may reject your Offer and begin negotiations with another Vendor. Protested awards are not final and are subject to resolution of the protest.

1.13 PUBLIC RECORDS AND REQUESTS FOR CONFIDENTIAL TREATMENT: Offers become the property of the State and these and late submissions will not be returned. Your Offer will be open to the public under the Illinois Freedom of Information Act (FOIA) (5 ILCS 140) and other applicable laws and rules, unless you request in your Offer that we treat certain information as exempt. A request for confidential treatment will not supersede the State's legal obligations under Illinois Freedom of Information Act (FOIA) (5 ILCS 140). We will not honor requests to exempt entire Offers. You must show the specific grounds in FOIA or other law or rule that support exempt treatment. Regardless, we will disclose the successful Vendor's name, the substance of the Offer, and the price. If you request exempt treatment, you must submit an additional copy of the Offer with exempt information deleted. This copy must tell the general nature of the material removed and shall retain as much of the Offer as possible. You will be responsible for any costs or damages associated with our defending your request for exempt treatment. You agree the State may copy the Offer to facilitate evaluation, or to respond to requests for public records. You warrant that such copying will not violate the rights of any third party.

1.14 RESERVATIONS: You must read and understand the solicitation and tailor your Offer and activities to ensure compliance. We reserve the right to amend the solicitation; reject any or all Offers; to award by item, group of items, or grand total; and to waive minor defects. We may request a clarification; inspect your premises; interview staff; request a presentation; or otherwise verify the contents of the Offer, including information about subcontractors and suppliers. We may request Best & Final Offers when appropriate. We will make all decisions on compliance, evaluation, terms and conditions, and shall make decisions solely in the best interests of the State. This competitive process requires that you provide additional information and otherwise cooperate with us. If you do not comply with requests for information and cooperate, we may reject your Offer. You have no right to an award by submitting an Offer, nor do you have the right to a contract based on our posting your name in a Bulletin notice. We are not responsible for and will not pay any costs associated with the preparation and submission of your Offer. If you are the awardee, you shall not commence, and will not be paid for any billable work prior to the date all parties execute the contract, unless approved in writing in advance by the State Purchasing Officer or the Chief Procurement Officer (or the CPO's designee).

1.15 GOVERNING LAW AND FORUM: Illinois law and rule govern this solicitation and any resulting contract. You must bring any action relating to this solicitation or any resulting contract in the appropriate court in Illinois. We do not allow binding arbitration. This document contains statutory references designated with "ILCS". You may view the full text at <http://www.ilga.gov/legislation/ilcs/ilcs.asp>. The Illinois Procurement Code (30 ILCS 500) and the Standard Procurement Rules (44 Ill. Adm. Code 1) are applicable to this solicitation and may be viewed by users registered for the Illinois Procurement Bulletin at <http://www.purchase.state.il.us>.

1.16 EMPLOYMENT TAX CREDIT: Vendors who hire qualified veterans and certain ex-offenders may be eligible for tax credits. Please contact the Illinois Dept. of Revenue (312-814-3215) for information about tax credits. If you receive this tax credit you must report to the Dept. of Central Management Services the number of individuals hired for whom you received tax credits. You must submit this information by August 31 of each year covering the previous 12 months (July–June) (PA 94-1067; 30 ILCS 500/45-67 and 45-70).

SECTION 2 - HOW WE WILL EVALUATE OFFERS

2.1 OFFER RESPONSE FORMS: We will evaluate the information you provide in the Offer Response Forms. You will find these forms in later sections of this solicitation.

2.2 EVALUATION CATEGORIES: We evaluate four categories of information: Administrative Compliance, Responsibility, Responsiveness, and Price. We will consider the information you supply or don't supply, and the quality of that information when evaluating your Offer. If we find a failure or deficiency, we may have to reject the Offer or reflect that in the evaluation.

2.2.1 ADMINISTRATIVE COMPLIANCE: We will determine whether your Offer complied with the Instructions for submitting Offers. Except for late submissions, we may require that a Vendor correct deficiencies as a condition of further evaluation.

Due to the aggressive timeline and level of responsibility that we are looking to the successful bidder to provide, this procurement requires bidders to have experience in ICS scripted testing in the lottery industry as described in Section 3.5.1. The Vendor must provide sufficient documentation to show compliance with this requirement. This category will be scored as either a pass or fail. Those who fail will not be eligible for contract award.

2.2.2 RESPONSIBILITY: We will determine whether you are a "Responsible" Vendor; a Vendor with whom we can or should do business.

- i. A "Responsible" vendor must exist as a legal entity and must be authorized to do business in Illinois at the time a bid or proposal is submitted for a State contract. Evidence of good standing can include Certificate of Good Standing, copy of assumed name certificate from home county, etc.
- ii. Public Law 96-0795 provides that a "prohibited bidder" includes a person assisting the State of Illinois or a State agency in determining whether there is a need for contract unless such information was part of a response to a publicly issued request for information (RFI). Additionally, one assisting the State by reviewing, drafting or preparing a request for proposals or request for information or provided similar assistance is deemed a prohibited bidder. See certifications section of the Contract for the required certifications prior to entering into a contract with the State of Illinois.
- iii. Other factors that we may evaluate to determine Responsibility include, but are not limited to: certifications, conflict of interest, financial disclosures, taxpayer identification number, past performance, references (including those found outside the Offer,) compliance with applicable laws, financial stability and the perceived ability to perform completely as specified. Every bid submitted to and contract executed by the State and every subcontract subject to Section 20-120 of the Procurement Code shall contain a certification by the bidder, contractor, or subcontractor, respectively, that the bidder, contractor, or subcontractor is not barred from being awarded a contract or subcontract under this Section and acknowledges that the chief procurement officer shall declare the related contract void if any of the certifications are false.

2.2.3 RESPONSIVENESS: We will determine whether the Offer meets the stated requirements. Minor differences or deviations that have negligible impact on the price or suitability of the supply or service to meet the State's needs may be accepted or corrections allowed. If no administratively compliant and responsible Vendor meets a particular requirement, we may waive that requirement. When the specification calls for "Brand Name or Equal," the brand name product is acceptable. Other products will be considered with proof the other product meets stated specifications and is equivalent to the brand product in terms of quality, performance and desired characteristics.

2.2.4 PRICE: We will identify the lowest priced Offer that meets Administrative, Responsibility and Responsiveness requirements. We will rank Offers in order of Price when appropriate.

2.3 AWARD: We will award to the Responsible Vendor whose Offer passes Administrative review, is Responsive, and who submits the best value as shown by the combination of Responsiveness and Price.

We will determine how well Offers meet the Responsiveness requirements. We will rank Offers, without consideration of Price, from best to least qualified using a point ranking system (unless otherwise specified) as an aid in conducting the evaluation. Vendors who receive fewer than 100 points will not be considered for Price evaluation and award.

If we do not consider the Price to be fair and reasonable and we cannot negotiate to an acceptable Price, we reserve the right to cancel the award and take appropriate action to meet our needs. We will determine whether the price is fair and reasonable by considering the Offer, including the Vendor's qualifications, the Vendor's reputation, all prices submitted, other known prices, the project budget and other relevant factors.

The point evaluation system is described below.

Administrative Compliance - Does Vendor meet the minimum requirements of Section 3.5.1 with respect to years in business and experience testing lottery internal control systems?	PASS/FAIL
Technical Approach - Does proposal satisfactorily address testing of all areas of ICS functionality, as specified in Section 3.2 of the RFP? If not, did vendor provide supporting rationale for deviations from the Agency's request?	105
Firm's Experience & Resources - Does the Vendor have experience beyond the minimum requirements of 3.5.1? - Has Vendor demonstrated the ability to complete similar projects on time and on budget?	30
- Team Members' Experience Did Vendor identify names and roles of team members, and provide résumés for all team members? - Do résumés of team members demonstrate experience serving in similar roles in previous projects?	50
Project Management Approach - Does the project manager have an appropriate level of experience given scope and timing of our project? - Does Vendor's Section 3 response, and particularly the Section 3.5.3 project management plan, indicate a sound grasp of project scope and ability to manage all elements? - Does Vendor thoroughly explain how incidents identified during testing will be addressed?	15
References Score will be determined by the responses and ratings given by companies responding to a reference questionnaire.	25

2.3.1 The chart below shows the elements of Responsiveness that we will evaluate, their relative weights in point format and any minimum point requirements. The total number of points for Responsiveness is 225.

2.3.2 The total number of points for Price is 50. We will determine Price points using the following formula:

$$\text{Maximum Price Points} \times (\text{Lowest Price} / \text{Offeror's Price}) = \text{Total Price Points}$$

2.3.3 The maximum number of points is 275 (Responsiveness 225 + Price 50).

SECTION 3 - SPECIFICATIONS / QUALIFICATIONS / STATEMENT OF WORK

3.1 AGENCY'S NEED FOR SUPPLIES / SERVICES

3.1.1 General Overview

The Illinois Lottery, through a Private Management Agreement (PMA), is converting its existing Central Gaming System (CGS) to a new CGS. Along with this conversion will be the purchase of an Internal Control System (ICS) to run parallel to the CGS. The ICS needs to be tested with formal scripting to ensure its proper functionality.

3.1.2 Lottery Objectives

The Illinois Lottery's objective for the testing of the ICS is to ensure that the ICS:

- Will meet the needs of the Illinois Lottery for the potential 10 year term of the ICS Contract
- Is operationally sound and incorporates the highest level of integrity and security, making certain that no transactions are modified and no illegitimate transactions are added, minimizing the risk for Illinois Lottery. The ICS needs to be flexible enough to meet the evolving requirements of the Illinois Lottery and must be balanced against report(s) generated by the CGS.
- Is ready to be operational by the agreed-upon schedule and that all related services are performed in accordance with the agreed-upon schedule.
- Protect the integrity of all Illinois Lottery games by logging all transactions and verifying that logged transactions are proper transactions.
- Comply with requirements of the Multi-State Lottery Association (MUSL) for an ICS. For example, the ICS that is delivered shall have protective redundancy so that if one system fails, processing can continue.
- Maximize profitability for the State of Illinois.

3.1.3 Overview of Requirements

The Illinois Lottery is seeking proposals from qualified vendors to provide scripted testing for an Internal Control System (ICS) which independently verifies transactions processed by our Central Gaming System (CGS.)

Our plan is to divide the ICS Testing into three Phases:

Phase 1 includes testing as described in section 3.2 for all ICS functionality except those specific areas identified in that section as Phase 2. Retailer licensing and status reports are not included in this phase. The core data required will be converted at start up, including outstanding futures sales and uncashed tickets. Completion of Phase 1 testing is before July 26, 2011, which is when parallel processing will begin. There may be issues identified during parallel processing that could require further testing prior to ICS implementation on August 21, 2011.

Phase 2 includes all functionality that was not tested in Phase 1, including 1 year of converted history. Phase 2 is expected to be completed by December 30, 2011.

Phase 3 includes as-needed testing of any ICS modifications or enhancements that may be developed after December 30, 2011 but prior to the expiration of this agreement, as well as regression testing that may be required due to operating system software patching.

For more information regarding the configuration and functionality of the Illinois Lottery's ICS, please refer to the ICS Solicitation document on the Illinois Procurement Bulletin (IPB), IPB Reference #22020649, Agency reference number LOT-11-ICS.

3.2 SUPPLIES AND/OR SERVICES REQUIRED

The Illinois Lottery is seeking the expertise of the vendor to propose a testing format, but the following list summarizes our expectations for the types of testing to propose. Due to the strict time line we face, we anticipate a phased approach to testing. Testing elements identified below must be completed prior to July 26, 2011 (Phase 1) unless otherwise indicated, or unless an alternate schedule is approved by all parties to the system conversion. Vendor should provide examples of test scripts used in other jurisdictions for the activities identified below, or describe Vendor's approach to testing each of the elements. Vendor must provide an explanation for any recommended changes to the testing elements.

3.2.1 System Testing

- (a) Anomaly Testing – The ICS must be tested with various scripted, erroneous transactions to verify its reaction to unanticipated user errors.
- (b) Connectivity Testing – Validate that all connectivity requirements have been met.
- (c) Configuration Testing – Validate that the configurations between all systems (Primary, Secondary, Test, and Backup) match.
- (d) Conversion Testing- Review and reconcile the converted data with the Gaming System. Please note that only core data needed for start up, including outstanding futures sales and un-cashed tickets will be included. 1 year of converted history will be included in Phase 2.
- (e) Functional Testing- Test the software based on the requirement specifications including transaction processing, data backup, data restores, winning number entries, share value entries, claims and payments, subscriptions, report generation and any other output required of the ICS. (Please see 3.2.2 for further details.)
 - (i) Interoperability Testing – Validate that the different ICS hosts are interfacing with the appropriate Gaming System hosts and interacting as expected, and that processing the data from each ICS server produces consistent results.
 - (ii) Integration Testing – Test integration points including remote access for support, data transfers, logging and alerting, backup servers and identity management.
 - (iii) Performance Testing – The CGS vendor is expected to generate over 1 million simulated transactions for each online game per day. The ICS should be able to process each transaction and the system should balance successfully.
 - (iv) Failover and Recovery Testing- Vendor should test that failover to the backup site functions properly and that processing can continue with no loss of data. Vendor should further confirm that primary and secondary subsystems are a mirror of one another.
 - (v) Regression Testing- Regression testing should be performed after each software build to ensure that modifications contained in the build didn't have unintended effects on the application.
 - (vi) Security and Access Control Testing- Security and access control testing needs to be performed during infrastructure validation work for all systems.
 - (vii) Usability Testing- The usability of the ICS needs to be assessed throughout testing. The focus of usability testing should be primarily around processes for balancing Powerball and Mega Millions transactions and ease of obtaining the required balancing reports.
 - (viii) Operations Testing- Operations of the ICS need to be observed throughout testing. The different operating functions (start-up, processing and recovery) should be performed frequently during testing.
 - (ix) Deliverables Compliance – The ICS RFP and the Illinois Lottery/ICS Vendor Contract details the hardware and software deliverables for the ICS (see, in particular, ICS RFP Section 3.1.3, Overview of Software Requirements; Section 3.1.4, Overview of Hardware Requirements; Section 3.2.1, System Configuration; Section 3.2.2.3 Supporting Lottery's Games Menu). Test scripts or other appropriate reviews are required and should be prepared based on these deliverables. The Lottery and the successful Vendor will develop a mutually acceptable list of specific testing/review elements under this Section.
 - (x) Expired Ticket Testing – Ensure that expired tickets can no longer be validated, that the liability is removed, and that the tickets go into unclaimed status.

Data capture and balancing functions added during Phase 2 ICS development will be tested during Phase 2. Examples of additional data elements are:

- Claim payments and selling bonuses associated with on-line games.
- Ticket sales, wagers, advance wagers, cancellations, validations, claims, claim payments, selling commissions, selling/cashing bonuses, any type of accounts receivable adjustment (problem ticket credits, debit memos, credit memos, cash payments, penalties, interest), electronic funds transfer sweeps, promotion activity, and purged tickets, associated with an Internet ticket sales pilot program that is expected to launch in 2011 for the Mega Millions and Lotto games

- Claim payments, settlements (by game), and selling bonuses associated with instant games.
- Retailer management activities, including changes in terminal status, billing status or any changes that impact the status of our retailers.
- Sales by sales channel (over-the-counter, instant ticket dispensing machines, etc.) to the extent such information is captured by the CGS.

3.2.2 Report Testing

The following reports, at a minimum, should be generated and verified to be accurate against Gaming System host reports and transactions.

- Draw Report- This report is produced after the draw procedure and includes winning numbers, pool values, prize values, share values and prize pool total calculations.
- Liability Report- This report shows the liability (claimed and unclaimed shares and amounts) for a game grouped by draw and listed by prize level.
- Daily Sales Report – This report displays sales by draw for a game and breaks down sales by day.
- Daily Totals Report – This report gives a summary of tickets sold in the current day. Sales are listed for the current draw and for all future draws. This report combines information from the draw report and daily sales report.
- Transaction Distribution- This report shows the distribution of sales by day by product.
- Anomalous Gaming Data Reporting.

A list of specific reports to be provided by the ICS vendor at Phase 1 of the ICS implementation will be provided to the successful ICS testing Vendor. These will need to be tested as part of Phase 1 Testing.

Reports developed as part of Phase 2 of the ICS implementation, such as retailer licensing and status reports, and monthly and annual sales reports, will need to be tested as part of Phase 2 Testing.

3.2.3 Other Testing

- Financial and Sales Activity Balancing – Activity should be balanced with the terminal reports. The terminal reports should be balanced with the host reports. The host reports should be balanced with the ICS reports. Areas to be balanced are: daily sales, winning numbers, share counts, share values, liabilities, payouts, and jackpots.
- MUSL Standards Testing – Vendor must perform tests to validate that the ICS meets all minimum system standards required by the Multi-State Lottery Association. The MUSL Minimum Standards Document is included in this RFP as Exhibit 1.

3.3 MILESTONES AND DELIVERABLES

The following are **tentative** milestone dates for this procurement. The Lottery reserves the right to modify these dates as needed to maintain an open and competitive procurement environment and ensure delivery of a quality product. We recognize that the product delivery timeframe is ambitious and will consider the impact on stated delivery dates prior to making any schedule changes.

Issue RFP	May 20, 2011
Written Questions due	May 25, 2011 (12 Noon CDT)
Written Answers back	May 27, 2011
PROPOSALS DUE	June 7, 2011
Time of Proposal Opening:	2:00 p.m. (CDT)
Recommendation to Director	June 10, 2011
Award	June 13, 2011
Protest Period End	June 20, 2011
Contract Execution	July 5, 2011
ICS Testing complete	
Phase 1 (minimum standards for ICS Phase 1)	July 25, 2011
Phase 2 (minimum standards for ICS Phase 2)	December 30, 2011

3.4 REPORTING, STATUS AND MONITORING

3.4.1 At the State's option the Parties will work together to monitor performance during the contract and any warranty term. This may include use of a performance scorecard with conditions, milestones, requirements, or timetables that must be met before additional steps may be taken, or payment is due. The scorecard may also record matters related to price, service, quality and other factors deemed important.

3.4.2 Vendor shall cooperate with the State in this monitoring activity, which may require that Vendor report progress and problems (with proposed resolutions), provide records of its performance, allow random inspections of its facilities, participate in scheduled meetings and provide management reports as requested by the State.

3.5 VENDOR AND STAFF REQUIREMENTS

3.5.1 Vendor Qualifications and Experience

Vendor must have been incorporated or otherwise registered to do business in Illinois or any other state for at least three (3) years prior to the issue date of this RFP (please indicate number of years in business and state of incorporation/registration), and be able to demonstrate the successful completion of testing for at least three (3) Internal Control Systems for lotteries. At least one of these testing projects for ICS implementations must be for a lottery jurisdiction comparable to, or larger than, the Illinois Lottery (jurisdictions with annual sales of less than \$500 million will not be considered comparable for purposes of this assessment). As indicated in Section 2.2.1 of this RFP, failure to demonstrate this required level of experience will disqualify the Vendor from further participation in this RFP process. Vendor should identify and describe any prior ICS testing projects completed under similar time constraints to the Illinois installation.

3.5.2 Staff Résumés

Vendor must identify team members for the Illinois Lottery project by name and role, and provide résumés for each member of the testing team. Résumés must include the full name, education background, years of experience and employment history, particularly as it relates to the scope of services specified herein.

3.5.3 Project Management Capabilities

Capacity to plan and execute testing in an efficient manner is critical to the project. Vendor must identify a Project Manager from the team identified in 3.5.2 above, and describe your project management approach, including process for reporting incidents uncovered by testing, trouble-shooting assignments, and follow-up actions to be taken to rectify the identified problems.

3.5.4 Subcontractor Disclosure. Will you be using any subcontractors? ☐ Yes ☐ No

If yes, you must identify in Section 7.7 the names and addresses of all subcontractors you will be using in the performance of this Contract, together with the anticipated amount of money that each subcontractor is expected to receive pursuant to this Contract. Subcontractors" are those specifically hired to provide to the Vendor or another subcontractor some or all of the goods, services, property, remuneration, or other forms of consideration that are the subject of this Contract, including sub-lessees from a lessee of a State agency. We may request updated information at any time.

3.5.5 References: You must provide a minimum of 3 references from lotteries for which you have tested an ICS, other than the procuring agency, that can attest to your experience and ability to perform the contract subject of this solicitation. You must provide the name, contact information and a description of the supplies or services provided. You must attach your references with the responsibility forms. At least one of the references must be from a jurisdiction comparable to or larger than the Illinois Lottery, as defined above.

3.6 WHERE SERVICES ARE TO BE PERFORMED

3.6.1 ICS primary and secondary systems, as well as a test system, will be installed in Springfield, Illinois. A backup ICS will be installed in Oak Brook, Illinois.

3.6.2 Work Location Disclosure: Vendor shall disclose in Section 7.8 the location where the services required shall be performed. If at multiple locations, the known or anticipated value of the services performed at each location shall be identified. This information and economic impact on Illinois and its residents may be considered in the evaluation. If any work identified for performance in the United States is moved to another country, such action may be deemed a breach of the contract.

3.7 OTHER SPECIFICATIONS

Officers and employees of the Vendor, as well as all persons residing in the primary domicile of those officers and employees, will be prohibited from purchasing or redeeming Illinois Lottery tickets. This prohibition will remain in place for the full contract term.

3.8 TERM OF CONTRACT

The contract awarded pursuant to this Request for Proposals will commence on the date of signature by the Agency Director and continue for one year.

3.9 RENEWAL The resulting Contract may not be renewed.

End of Instructions

SECTION 4 - OFFER TO STATE OF ILLINOIS

Project Title / Reference # Lottery ICS Scripted Testing, LOT-11-ICSTEST

The undersigned authorized representative of the identified Vendor does hereby submit this Offer to perform in full compliance with the subject solicitation. By completing and signing this Form, we are making an Offer to the State of Illinois that the State may accept. We are also certifying to compliance with the various requirements of the solicitation and the documents contained in the solicitation.

Offeror hereby certifies that no person or entity representing their offer has retained a person or entity to attempt to influence the outcome of a procurement decision made under the Illinois Procurement Code for compensation contingent in whole or in part upon the decision or procurement. Any person who violates this subsection is guilty a business offense and shall be fined.

We have marked each blank below as appropriate and have used N/A when a section is not applicable to this solicitation. We understand that failure to meet all requirements is cause for disqualification.

We have:

☐ Reviewed the Offer Form, including all referenced documents as well as the solicitation Instructions, filled in all relevant blanks, provided any requested information, and

☐ Signed on the space(s) provided.

Acknowledgment of Amendments

☐ We acknowledge receipt of any and all amendments to the solicitation and have taken those into account in making this Offer.

Offer Response Forms: Accompanying and as part of this Offer you will find:

☐ N/A Bid Security, if required

☐ Original and 6 copies of technical proposal; 7 electronic copies of your technical proposal in Word or searchable PDF.

☐ Original and 3 copies of pricing proposal, 1 pricing disk, all in separate sealed envelope from technical proposal in the Offer package.

☐ Completed Responsibility Forms packet

Business and Directory Information

Disclosures and Conflicts of Interest

Completed and Signed Taxpayer Identification Number form

☐ Completed Minority, Female and Person with Disability Status and Subcontracting form

☐ References, if required

☐ Political Contributions

We have made the certification required by Public Act 95-971 and attached the State Board of Elections certificate of registration, if required.

Exceptions: In preparing the Offer we have taken (check one)

☐ No Exceptions

☐ Exceptions to the State's language or requirements in the following sections of the Offer:

☐ Contract

☐ Responsibility forms

Details of the exceptions are shown (check one)

☐ in the text of each section of the Offer

☐ on a separate labeled attachment

Domestic Products (check one)

- ☐ We are not making a claim for preference under the Procurement of Domestic Products Act (30 ILCS 517).
- ☐ We are making a claim for preference under the Procurement of Domestic Products Act (30 ILCS 517). After reading the Act we certify we are eligible and that the following product or products bid or proposed in response to this solicitation meet the requirements of the Act. Check and complete as applicable:
- ☐ All products
- ☐ The following individual products (show line item if applicable)
- _____
- _____

Request for Confidential Treatment (check one)

☐ We are not requesting confidential treatment for this Offer.

☐ We are seeking confidential treatment for portions of this Offer. We have supplied, as an attachment to this Offer, a listing of the provisions identified by section number for which we seek confidential treatment along with the statutory basis under Illinois law for exempting that information from public disclosure. We are including a detailed justification to support the statutory basis under Illinois law for exempting that information from public disclosure. **We have supplied an additional copy of the Offer with confidential information deleted.** In the event the designation of confidentiality of this information is challenged, the undersigned hereby agrees to provide legal counsel or other necessary assistance to defend the designation of confidentiality and agrees to hold the State harmless for any costs or damages arising out of the State agreeing to withhold the materials based on Vendor's request.

Protests and Negotiations

If we are selected for award, we understand that does not entitle us to a contract. We further understand the award is conditioned on favorable resolution of any protests and to successful negotiation of terms and conditions including, but not limited to price and any exceptions requested.

Vendor Contact Person: The contact person for purposes of responding to any questions the State may have is:

Printed Name _____ Title _____

Address _____

Phone _____ Fax _____

Email _____

(Vendor name and DBA)

(Signature of party authorized to bind the named Vendor)

Printed Name _____ Title _____

Address _____

Phone _____ Fax _____

E-mail _____

SECTION 5 - RESPONSIBILITY FORMS

We have identified various information we need in order to determine if you are eligible to contract with the State and can be considered a "Responsible" Vendor.

You will need to:

Review each of the Responsibility forms, fill in all relevant blanks and provide any requested information.

Business and Directory Information

Disclosures and Conflicts of Interest

Minority, Female, Person with Disability Status and Subcontracting

Political Contributions

Complete and sign the:

Taxpayer Identification Form

Attach references, if required

You must include all of this as part of your Offer or risk disqualification.

Business and Directory Information

- (a) Name of Business (Official Name and D/B/A)
- (b) Business Headquarters (include Address, Telephone and Facsimile)
- (c) If a Division or Subsidiary of another organization provide the name and address of the parent
- (d) Billing Address
- (e) Name of Chief Executive Officer
- (f) Customer Contact (include Name, Title, Address, Telephone, Toll-Free Number, Facsimile and E-mail)
- (g) Company Web Site
- (h) Type of Organization (i.e., Sole Proprietor, Corporation, Partnership, etc. -- should be the same as on the Taxpayer ID form below)
- (i) Length of Time in Business
- (j) Annual Sales (for most recently completed Fiscal Year)
- (k) Number of Full-Time Employees (average from most recent Fiscal Year)
- (l) Type of and description of business
- (m) State of incorporation, state of formation or state of organization
- (n) Identify and specify the location(s) and telephone numbers of the major offices and other facilities that relate to the Vendor's performance under the terms of this solicitation.
- (o) Department of Human Rights (DHR) Public Contract Number
If Vendor has employed fifteen (15) or more full-time employees at any time during the 365-day period immediately preceding the publication of this solicitation in the Illinois Procurement Bulletin (or issuance date if not published), then Vendor must have a current Public Contract Number or have proof of having submitted a completed application for one prior to the Solicitation opening date. (44 Ill. Adm. Code 750.210(a)) For application information call the DHR Public Contracts unit at (312) 814-2431.

Show # _____ or attach proof of application.

DISCLOSURES AND CONFLICTS OF INTEREST

Instructions: Vendor shall disclose financial interests, potential conflicts of interest and contract information identified in Sections 1, 2 and 3 below as a condition of receiving an award or contract (30 ILCS 500/50-13 and 50-35). Failure to fully disclose shall render the contract, bid, proposal, subcontract, or relationship voidable by the chief procurement officer if s/he deems it in the best interest of the State of Illinois and may be cause for barring from future contracts, bids, proposals, subcontracts, or relationships with the State.

- There are six sections to this form and each must be completed to meet full disclosure requirements.
- Note: The requested disclosures are a continuing obligation and must be promptly supplemented for accuracy throughout the process and throughout the term of the resultant contract if the bid/offer is awarded. As required by 30 ILCS 500/50-2, for multi-year contracts Vendors must submit these disclosures on an annual basis.

A publicly traded entity may submit its 10K disclosure in satisfaction of the disclosure requirements set forth in Section 1 below. HOWEVER, if a Vendor submits a 10K, they still must complete Sections 2, 3, 4, 5 and 6 and submit the disclosure form.

If the Vendor is a wholly owned subsidiary of a parent organization, separate disclosures must be made by the Vendor and the parent. For purposes of this form, a parent organization is any entity that owns 100% of the Vendor.

This disclosure information is submitted on behalf of (show official name of Vendor, and if applicable, D/B/A and parent):

Name of Vendor: _____

D/B/A (if used): _____

Name of any Parent Organization: _____

Section 1: Section 50-35 Disclosure of Financial Interest in the Vendor. *(All Vendors must complete this section)*

Vendors must complete subsection (a), (b) or (c) below. Please read the following subsections and complete the information requested.

- a. If Vendor is a Publicly traded corporation subject to SEC reporting requirements
- i. Vendor shall submit their 10K disclosure (include proxy if referenced in 10k) in satisfaction of the financial and conflict of interest disclosure requirements set forth in subsections 50-35 (a) and (b) of the Procurement Code. The SEC 20f or 40f, supplemented with the names of those owning in excess of 5% and up to the ownership percentages disclosed in those submissions, may be accepted as being substantially equivalent to 10K.

Check here if submitting a 10k ☐, 20f ☐, or 40f ☐.

OR

- b. If Vendor is a privately held corporation with more than 400 shareholders
- i. These Vendors may submit the information identified in 17 CFR 229.401 and list the names of any person or entity holding any ownership share in excess of 5% in satisfaction of the financial and conflict of interest disclosure requirements set forth in subsections 50-35 a and b of the Illinois Procurement Code.

OR

- c. If Vendor is an individual, sole proprietorship, partnership or any other not qualified to use subsections (A) or (B), complete (i) and (ii) below as appropriate.
- i. For **each individual** having any of the following financial interests in the Vendor (or its parent), please mark each that apply and show the applicable name and address. Use a separate form for each individual.

1. Do you have an ownership share of greater than 5% of the offering entity or parent entity?

☐ Yes ☐ No

2. Do you have an ownership share of less than 5%, but which has a value greater than \$106,447.20?

☐ Yes ☐ No

3. Do you receive more than \$106,447.20 of the offering entity's or parent entity's distributive income? (Note: Distributive income is, for these purposes, any type of distribution of profits. An annual salary is not distributive income.)

☐ Yes ☐ No

4. Do you receive greater than 5% of the offering entity's or parent entity's total distributive income, but which is less than \$106,447.20?

☐ Yes ☐ No

5. If you responded yes to any of questions 1 – 4 above, please provide either the percentage or dollar amount of your ownership or distributive share of income: _____. For partnerships with more than 50 partners, the percentage share of ownership of each individual identified above may be shown in the following ranges (dollar value fields must also be completed when applicable):

0.5% or less _____ >0.5 to 1.0% _____ >1.0 to 2.0% _____ >2.0 to 3.0 % _____ > 3.0 to 4.0% _____ %
>4.0 to 5.0% _____ and in additional 1% increments as appropriate _____ %

6. If you responded yes to any of the questions 1-4 above, please check the appropriate type of ownership/distributable income share:

Sole Proprietorship ☐ Stock ☐ Partnership ☐ Other (explain) _____

Name: _____

Address: _____

- ii. In relation to individuals identified above, indicate whether any of the following potential conflict of interest relationships apply. If "Yes," please describe each situation (label with appropriate letter) using the space at the end of this Section (attach additional pages as necessary). If no individual has been identified above, mark not applicable (N/A) here _____.

(a) State employment, currently or in the previous 3 years, including contractual employment of services directly with the individuals identified in Section 1 in their individual capacity unrelated to the Vendor's contract. Yes ☐ No ☐

(b) State employment of spouse, father, mother, son, or daughter, including contractual employment for services in the previous 2 years. Yes ☐ No ☐

(c) Elective status; the holding of elective office of the State of Illinois, the government of the United States, any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois currently or in the previous 3 years. Yes ☐ No ☐

(d) Relationship to anyone holding elective office currently or in the previous 2 years; spouse, father, mother, son, or daughter. Yes ☐ No ☐

(e) Appointive office; the holding of any appointive government office of the State of Illinois, the United States of America, or any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois, which office entitles the holder to compensation in excess of expenses incurred in the discharge of that office currently or in the previous 3 years. Yes ☐ No ☐

(f) Relationship to anyone holding appointive office currently or in the previous 2 years; spouse, father, mother, son, or daughter. Yes ☐ No ☐

(g) Employment, currently or in the previous 3 years, as or by any registered lobbyist of the State government. Yes ☐ No ☐

(h) Relationship to anyone who is or was a registered lobbyist in the previous 2 years; spouse, father, mother, son, or daughter. Yes ☐ No ☐

(i) Compensated employment, currently or in the previous 3 years, by any registered election or re-election committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections. Yes ☐ No ☐

(j) Relationship to anyone; spouse, father, mother, son, or daughter; who is or was a compensated employee in the last 2 years of any registered election or reelection committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections. Yes ☐ No ☐

Section 2: Section 50-13 Conflicts of Interest *(All Vendors must complete this section)*

(a) Prohibition. It is unlawful for any person holding an elective office in this State, holding a seat in the General Assembly, or appointed to or employed in any of the offices or agencies of State government and who receives compensation for such employment in excess of 60% of the salary of the Governor of the State of Illinois [\$106,447.20], or who is an officer or employee of the Capital Development Board or the Illinois Toll Highway Authority, or who is the spouse or minor child of any such person to have or acquire any contract, or any direct pecuniary interest in any contract therein, whether for stationery, printing, paper, or any services, materials, or supplies, that will be wholly or partially satisfied by the payment of funds appropriated by the General Assembly of the State of Illinois or in any contract of the Capital Development Board or the Illinois Toll Highway Authority.

(b) Interests. It is unlawful for any firm, partnership, association, or corporation, in which any person listed in subsection (a) is entitled to receive (i) more than 7 1/2% of the total distributable income or (ii) an amount in excess of the salary of the Governor (\$177,412.00), to have or acquire any such contract or direct pecuniary interest therein.

(c) Combined interests. It is unlawful for any firm, partnership, association, or corporation, in which any person listed in subsection (a) together with his or her spouse or minor children is entitled to receive (i) more than 15%, in the aggregate, of the total distributable income or (ii) an amount in excess of 2 times the salary of the Governor [\$354,824.00], to have or acquire any such contract or direct pecuniary interest therein.

Check One: ☐ No Conflicts Of Interest
☐ Potential Conflict of Interest (If checked, name each conflicted individual, the nature of the conflict, and the name of the State agency that is associated directly or indirectly with the conflicted individual.)

Section 3: Debarment/Legal Proceeding Disclosure *(All Vendors must complete this section).*

Each of the persons identified in Sections 1, 2 and 3 must each identify any of the following that occurred within the previous 10 years:

Debarment from contracting with any governmental entity	Yes ☐	No ☐
Professional licensure discipline	Yes ☐	No ☐
Bankruptcies	Yes ☐	No ☐
Adverse civil judgments and administrative findings	Yes ☐	No ☐
Criminal felony convictions	Yes ☐	No ☐

If any of the above is checked yes, please identify with descriptive information the nature of the debarment and legal proceeding. The State reserves the right to request more information, should the information need further clarification.

Section 4: Disclosure of Business Operations with Iran *(All Vendors must complete this section).*

In accordance with 30 ILCS 500/50-36, each bid, offer, or proposal submitted for a State contract, other than a small purchase defined in Section 20-20 [of the Illinois Procurement Code], shall include a disclosure of whether or not the bidder, offeror, or proposing entity, or any of its corporate parents or subsidiaries, within the 24 months before submission of the bid, offer, or proposal had business operations that involved contracts with or provision of supplies or services to the Government of Iran, companies in which the Government of Iran has any direct or indirect equity share, consortiums or projects commissioned by the Government of Iran and:

- i. more than 10% of the company's revenues produced in or assets located in Iran involve oil-related activities or mineral-extraction activities; less than 75% of the company's revenues produced in or assets located in Iran involve contracts with or provision of oil-related or mineral – extraction products or services to the Government of Iran or a project or consortium created exclusively by that Government; and the company has failed to take substantial action;
- or
- ii. the company has, on or after August 5, 1996, made an investment of \$20 million or more, or any combination of investments of at least \$10 million each that in the aggregate equals or exceeds \$20 million in any 12- month period that directly or significantly contributes to the enhancement of Iran's ability to develop petroleum resources of Iran.

A bid, offer, or proposal that does not include this disclosure shall not be considered responsive. We may consider this disclosure when evaluating the bid, offer, or proposal or awarding the contract.

You must check one of the following items and if item 2 is checked you must also make the necessary disclosure:

☐ There are no business operations that must be disclosed to comply with the above cited law.

☐ The following business operations are disclosed to comply with the above cited law:

Section 5: Current and Pending Contracts *(All Vendors must complete this section).*

Does the Vendor have any contracts pending contracts, bids, proposals or other ongoing procurement relationships with units of State of Illinois government? Yes ☐ No ☐

If yes, please identify each contract, pending contract, bid, proposal and other ongoing procurement relationship it has with units of State of Illinois government by showing agency name and other descriptive information such as bid number, project title, purchase order number or contract reference number.

Section 6: Representative Lobbyist/Other Agent *(All Vendors must complete this section).*

Is the Vendor represented by or employing a lobbyist required to register under the Lobbyist Registration Act or other agent who is not identified under Sections 1 and 2 and who has communicated, is communicating, or may communicate with any State officer or employee concerning the bid, offer or contract? Yes ☐ No ☐

If yes, please identify each agent / lobbyist, including name and address.

Costs/Fees/Compensation/Reimbursements related to assistance to obtain contract (describe):

Vendor certifies that none of these costs will be billed to the State in the event of contract award. Vendor must file this information with the Secretary of State.

This Disclosure is signed and made under penalty of perjury pursuant to Sections 500/50-13 and 500/50-35(a) of the Illinois Procurement Code.

This Disclosure information is submitted on behalf of: _____
(Vendor/Subcontractor Name)

Name of Authorized Representative: _____
Title of Authorized Representative: _____
Signature of Authorized Representative: _____
Date: _____

Minority, Female, Person with Disability Status and Subcontracting

The Business Enterprise Program Act for Minorities, Females and Persons with Disabilities (BEP) (30 ILCS 575) establishes a goal for contracting with businesses that have been certified as owned and controlled by persons who are minority, female or who have disabilities. While you must complete this form, your response will not be considered in the evaluation. A listing of certified businesses may be obtained from the Department of Central Management Services' Business Enterprise Program for Minorities, Females and Persons with Disabilities by calling 312/814-4190 (Voice & TDD), 800/356-9206 (Toll Free), or 800/526-0844 (Illinois Relay Center for Hearing Impaired).

Name of Company (and D/B/A): _____

Is your company at least 51% owned and controlled by individuals in one or more of the following categories? Yes ☐ No ☐

If "Yes" check each that applies:

Category:

Minority ☐

Female ☐

Person with Disability ☐

Disadvantaged ☐

A business owned and controlled by females shall select and designate only one category above if the females are also minorities.

If "Yes," please identify, by checking the applicable blanks, which agency certified the business and in what category:

Certifying Agency:

Department of Central Management Services ☐

Women's Business Development Center ☐

Chicago Minority Business Development Council ☐

Illinois Department of Transportation ☐

Other (please identify): _____

Category:

Minority ☐

Female ☐

Person with Disability ☐

Disadvantaged ☐

If you are not a certified BEP business, do you have a written policy or goal regarding contracting or subcontracting with BEP certified Vendors?

Yes ☐ (attach copy) No ☐

If "No," will you make a commitment to contact BEP certified Vendors and consider them for subcontracting opportunities on this contract?

Yes ☐ No ☐

Do you plan on ordering supplies or services in furtherance of this contract from BEP certified Vendors? Yes ☐ No ☐

If "Yes," please identify what you plan to order, the estimated value as a percentage of your total Offer, and the names of the BEP certified Vendors you plan to use.

Political Contributions

Public Act 95-971 addresses political contributions by Vendors, including affiliated persons and entities. The Act contains registration requirements and provides that all bids submitted to the State after January 1, 2009 contain a certificate of registration from the Illinois State Board of Elections or a certification that the bidding entity is not required to register. Further information about the registration requirements can be found on the Board of Elections website, www.elections.il.gov. Failure to submit this information will result in disqualification.

By submission of an Offer, you acknowledge and certify that you have read, understand and will comply with Public Act 95-971, including but not limited to, all provisions relating to reporting and making contributions to state officeholders, declared candidates for State offices and covered political organizations that promote the candidacy of an officeholder or declared candidate for office. Vendor acknowledges that the State may declare any resultant contract void if this certification is false or if the Act is violated.

In compliance with Public Act 95-971 check the following certification that applies to you:

☐ Vendor is not required to register as a business entity with the State Board of Elections.

or

☐ Vendor has registered **and has attached a copy** of the official certificate of registration as issued by the State Board of Elections. As a registered business entity, Vendor acknowledges a continuing duty to update the registration as required by the Act.

TAXPAYER IDENTIFICATION NUMBER

I certify that:

1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me), and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding, and
3. I am a U.S. person (including a U.S. resident alien).
 - If you are an individual, enter your name and SSN as it appears on your Social Security Card.
 - If you are a sole proprietor, enter the owner's name on the name line followed by the name of the business and the owner's SSN or EIN.
 - If you are a single-member LLC that is disregarded as an entity separate from its owner, enter the owner's name on the name line and the d/b/a on the business name line and enter the owner's SSN or EIN.
 - If the LLC is a corporation or partnership, enter the entity's business name and EIN and for corporations, attach IRS acceptance letter (CP261 or CP277).
 - For all other entities, enter the name of the entity as used to apply for the entity's EIN and the EIN.

Name: _____

Business Name: _____

Taxpayer Identification Number:

Social Security Number _____
or
Employer Identification Number _____

Legal Status (check one):

- | | |
|--|---|
| ☐ Individual | ☐ Governmental |
| ☐ Sole Proprietor | ☐ Nonresident alien |
| ☐ Partnership | ☐ Estate or trust |
| ☐ Legal Services Corporation | ☐ Pharmacy (Non-Corp.) |
| ☐ Tax-exempt | ☐ Pharmacy/Funeral Home/Cemetery (Corp.) |
| ☐ Corporation providing or billing
medical and/or health care services | ☐ Limited Liability Company (select applicable tax classification) |
| ☐ Corporation NOT providing or billing
medical and/or health care services | ☐ D = disregarded entity |
| | ☐ C = corporation |
| | ☐ P = partnership |

Signature: _____

Date: _____

SECTION 6 - RESPONSIVENESS

For this solicitation, you will need to respond to each of the points identified in Section 3 of the Solicitation, numbering each point as found in Section 3 and addressing them in the order they appear.

SECTION 7 - PRICE

7.0 PRICE SUBMISSION: The Price Proposal must be submitted in a separate, sealed envelope or container in the Offer container. The Vendor will provide its Price Proposal in accordance with the specifications provided below for the services specified in this document. Required pricing details are shown below:

7.1 METHOD AND RATE OF COMPENSATION: Vendor's price proposal must include an hourly rate to be charged for complete testing of the new ICS (Testing Phases 1 and 2), an estimated total compensation amount for the project, estimated travel costs (please include cost assumptions, such as "X" nights lodging, "X" round trips to Springfield, etc), plus the hourly rate to be charged for as-needed testing of system enhancements during the balance of the contract term. The stated hourly rate must apply to all hours worked regardless of time of day. Any limitation as to the ability of the vendor to work during specific time periods must be indicated.

7.2 MAXIMUM COMPENSATION FOR SUPPLIES AND SERVICES:

7.2.1. ICS Implementation Phase 1:

\$_____/hour

Estimated total hours for project: _____

Estimated travel expenses \$_____

Estimated total cost of Phase 1: \$_____

7.2.2. ICS Implementation Phase 2:

\$_____/hour

Estimated total hours for project: _____

Estimated travel expenses \$_____

Estimated total cost of Phase 2: \$_____

7.2.3 As-needed Testing (Phase 3)

\$_____/hour

7.3 EXPENSES: Unless otherwise specified, this contract does not allow for reimbursement of any expense incurred by Vendor, including but not limited to telephone or other communications device, postage, copying, travel, transportation, lodging, food and per diem.

Vendor will be reimbursed for reasonable travel costs incurred in the performance of this contract. Reimbursement rates for auto mileage will be in accordance with State of Illinois Travel Regulations (currently \$.51 per mile). "Reasonableness" for other travel expenses will be gauged by comparing Vendor's expenses to the rates and requirements of the State Travel Regulations, a copy of which can be furnished to Vendor upon request. Please note that air travel must be coach or economy class, and lodging should be at the lowest available rate at a moderate class facility. Per diem rates for State employees are \$28/day within the State of Illinois.

7.4 PAYMENT TERMS AND CONDITIONS (including when paid, frequency and retainage): Payment will be made after completion of the Contract unless otherwise specified below.

Project Fee: Vendor may invoice the Lottery as follows:
20% of the project fee upon execution of the Contract
30% of the project fee upon completion of the testing of the ICS
50% of the project fee upon Lottery's acceptance of the ICS testing

7.5 DISCOUNTS: ____% discount for payment within ____ days of delivery. This discount will not be a factor in making the award.

7.6 TAX EXEMPTIONS: State and Federal tax exemption information is available upon request.

7.7 SUBCONTRACTORS: Will you be using any subcontractors? ☐ Yes ☐ No

If yes, you must identify below the names and addresses of all subcontractors you will be entering into a contractual agreement with a total value of \$25,000 or more in the performance of this Contract, together with a description of the work to be performed by the subcontractor and the anticipated amount of money to the extent the information is known that each subcontractor is expected to receive pursuant to the Contract. For purposes of this section, subcontractors are those specifically hired to provide to the Vendor some or all of the goods, services, property, remuneration, or other forms of consideration that are the subject of this Contract, including sub-lessees from a lessee of a State agency. A copy of each subcontract issued pursuant to the Contract shall be provided to the State Purchasing Officer or Chief Procurement Officer within 20 days after the execution of the Contract or after execution of the subcontract, whichever is later. If at any time during the term of the Contract, Vendor adds or changes any subcontractors, Vendor will be required to promptly notify, by written amendment to the Contract, the State Purchasing Officer or the Chief Procurement Officer of the names and addresses and the expected amount of money that each new or replaced subcontractor will receive pursuant to the Contract. Any subcontracts entered into prior to award of the Contract are done at the Vendor's and subcontractor's risk.

Subcontractor Name	_____	Amount to be paid	_____
Address	_____	Description of work	_____

Subcontractor Name	_____	Amount to be paid	_____
Address	_____	Description of work	_____

All subcontracts must include **the Subcontractor Standard Certifications** and **the Disclosures and Conflicts of Interest**, completed and signed by the subcontractor.

7.8 WORK LOCATION DISCLOSURE: Vendor shall disclose the location where the services required shall be performed. If at multiple locations, the known or anticipated value of the services performed at each location shall be identified. This information and economic impact on Illinois and its residents may be considered in the evaluation. If the selected Vendor receives additional consideration in the evaluation based on work being performed in the United States, the resulting contract shall contain a provision that any shift in such work outside the United States may be considered a breach of contract.

Location where services will be performed	_____
Value of services performed at this location	_____

Location where services will be performed	_____
Value of services performed at this location	_____

SECTION 8 - CONTRACT

We expect to contract based on the terms and conditions as set forth in the attached State of Illinois Contract. If you are unable to accept one or more parts of the Contract, identify any exception that you want us to consider. You may show these changes on the Contract form itself by striking over language you find problematic, and underlining alternate language or by listing the sections and showing the alternate language on a separate page. You must provide these exceptions requests and alternate language with your Offer. Please note that most contract provisions are required by law or important policy and we have very limited ability to consider and accept changes you might propose. Any proposed changes may be considered in the evaluation.

CONTRACT

The Parties to this contract are the State of Illinois acting through the undersigned Agency (collectively the State) and the Vendor. This contract, consisting of the signature page and numbered sections listed below and any attachments referenced in this contract constitutes the entire contract between the Parties concerning the subject matter of the contract and supersedes all prior proposals, contracts and understandings between the Parties concerning the subject matter of the contract. This contract can be signed in multiple counterparts and signature may be electronic or digital upon agreement of the Parties.

1. TERM AND TERMINATION
2. DESCRIPTION OF SUPPLIES AND SERVICES
3. PRICING
4. STANDARD BUSINESS TERMS AND CONDITIONS
5. STANDARD CERTIFICATIONS
6. DISCLOSURES AND CONFLICTS OF INTEREST
7. SUPPLEMENTAL PROVISIONS

In consideration of the mutual covenants and agreements contained in this contract, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree to the terms and conditions set forth herein and have caused this contract to be executed by their duly authorized representatives on the dates shown below.

VENDOR

(Vendor Name) _____

Signature _____

Printed Name _____

Title _____ Date _____

Address _____

Phone _____ Fax _____

E-mail _____

STATE OF ILLINOIS

(Procuring Agency Name) Illinois Department of Revenue

Official Signature _____

Printed Name Brian Hamer

Title Director Date _____

Designee Signature _____

Printed Name _____

Title _____

Address Illinois Lottery Division
101 W. Jefferson, MC5-950
Springfield, IL 62702

Phone 217/524-5253 Fax 217/558-2168

E-mail lisa.crites@illinois.gov

CHIEF PROCUREMENT OFFICER

Official Signature _____

Printed Name _____

Title _____ Date _____

Address _____

Designee Signature _____

Printed Name _____

Title _____ Date _____

STATE USE ONLY

NOT PART OF CONTRACTUAL PROVISIONS

PBC#	11-60108	Project Title	Lottery ICS Scripted Testing
Contract #		Procurement Method (IFB, RFP, Small, etc):	RFP
IPB Ref. #		IPB Publication Date:	Award Code:
Subcontractor Utilization? ☐ Yes ☐ No		Subcontractor Disclosure? ☐ Yes ☐ No	
Funding Source		Obligation #	
CPO 33 – General Counsel Approval:			
Signature		Printed Name	Date

1. TERM AND TERMINATION

1.1 TERM OF THIS CONTRACT: This contract has an initial term beginning with the signature date of the Agency Director, and continuing for a period of one year.

In no event will the total term of the contract, including the initial term, any renewal terms and any extensions, exceed 10 years.

Vendor shall not commence billable work in furtherance of the contract prior to final execution of the contract.

1.2 RENEWAL: N/A.

1.3 TERMINATION FOR CAUSE: The State may terminate this contract, in whole or in part, immediately upon notice to the Vendor if: (a) the State determines that the actions or inactions of the Vendor, its agents, employees or subcontractors have caused, or reasonably could cause, jeopardy to health, safety, or property, or (b) the Vendor has notified the State that it is unable or unwilling to perform the contract.

If Vendor fails to perform to the State's satisfaction any material requirement of this contract, is in violation of a material provision of this contract, or the State determines that the Vendor lacks the financial resources to perform the contract, the State shall provide written notice to the Vendor to cure the problem identified within the period of time specified in the State's written notice. If not cured by that date the State may either: (a) immediately terminate the contract without additional written notice or (b) enforce the terms and conditions of the contract.

For termination due to any of the causes contained in this Section, the State retains its rights to seek any available legal or equitable remedies and damages.

1.4 TERMINATION FOR CONVENIENCE: The State may, for its convenience and with 30 days prior written notice to Vendor, terminate this contract in whole or in part and without payment of any penalty or incurring any further obligation to the Vendor. The Vendor shall be entitled to compensation upon submission of invoices and proof of claim for supplies and services provided in compliance with this contract up to and including the date of termination.

2. DESCRIPTION OF SUPPLIES AND SERVICES

2.1 GOAL: To utilize the knowledge and expertise of the Vendor, that is lacking in the Procuring Agency's staff, to obtain supplies and services necessary to help meet the statutory responsibilities of the Procuring Agency.

2.2 SUPPLIES AND/OR SERVICES REQUIRED: Vendor will provide scripted testing of the Illinois Lottery's Internal Control System as provided in Request for Proposals LOT-11-ICSTEST and Vendor's response thereto, including any Best and Final Offers. Services include but are not limited to verifying system functionality on all subsystems, failover functionality, report accuracy, and compliance with Multi-State Lottery Association requirements.

2.3 MILESTONES AND DELIVERABLES: Vendor shall not perform services, provide supplies or incur expenses in amount exceeding the amount shown in this Section, unless the State has authorized a higher amount in writing prior to the Vendor performing the services, providing the supplies, or incurring the expenses.

Not-to-exceed \$ _____

2.4 VENDOR / STAFF SPECIFICATIONS:

2.5 ASSIGNMENT AND SUBCONTRACTING:

2.5.1 This contract may not be assigned, transferred in whole or in part by the Vendor without the prior written consent of the State.

2.5.2 For purposes of this section, subcontractors are those specifically hired to perform all or part of the work covered by the contract.

Will subcontractors be utilized? ☐ Yes ☐ No

2.5.3 Vendor shall describe below the names and addresses of all authorized subcontractors to be utilized by Vendor in the performance of this contract, together with a description of the work to be performed by the subcontractor and the anticipated amount of money that each subcontractor is expected to receive pursuant to this contract. Vendor shall provide a copy of any subcontracts within 20 days of execution of this contract.

Subcontractor Name _____	Amount to be paid _____
Address _____	Description of work _____

Subcontractor Name _____	Amount to be paid _____
Address _____	Description of work _____

2.5.4 The Vendor shall notify the State of any additional or substitute subcontractors hired during the term of this contract. Vendor shall provide to the State a copy of all such subcontracts within 20 days of execution of the subcontract.

2.5.5 All subcontracts must include the same certifications that Vendor must make as a condition of this contract. Vendor shall include in each subcontract the subcontractor certifications as shown on the Standard Subcontractor Certification form available from the State.

2.6 TRANSPORTATION AND DELIVERY: N/A.

2.7 WHERE SERVICES ARE TO BE PERFORMED: Unless otherwise specified in this section all services shall be performed in the United States. If the Vendor manufactures the supplies or performs the services purchased hereunder in another country in violation of this provision, such action may be deemed by the State as a breach of the contract by Vendor. Vendor shall disclose the locations where the services required shall be performed and the known or anticipated value of the services to be performed at each location. If the Vendor received additional consideration in the evaluation based on work being performed in the United States, it shall be a breach of contract if the Vendor shifts any such work outside the United States.

Location where services will be performed _____
Value of services performed at this location _____

Location where services will be performed _____
Value of services performed at this location _____

2.8 SCHEDULE OF WORK: Any work performed on State premises shall be done during the hours designated by the State and performed in a manner that does not interfere with the State and its personnel.

2.9 WARRANTIES FOR SUPPLIES AND SERVICES:

2.9.1 Vendor warrants that the supplies furnished under this contract will: (a) conform to the standards, specifications, drawing, samples or descriptions furnished by the State or furnished by the Vendor and agreed to by the State, including but not limited to all specifications attached as exhibits hereto; (b) be merchantable, of good quality and workmanship, and free from defects for a period of twelve months or longer if so specified in writing, and fit and sufficient for the intended use; (c) comply with all federal and state laws, regulations and ordinances pertaining to the manufacturing, packing, labeling, sale and delivery of the supplies; (d) be of good title and be free and clear of all liens and encumbrances and; (e) not infringe any patent, copyright or other intellectual property rights of any third party. Vendor agrees to reimburse the State for any losses, costs, damages or expenses, including without limitations, reasonable attorney's fees and expenses, arising from failure of the supplies to meet such warranties.

2.9.2 Vendor shall insure that all manufacturers' warranties are transferred to the State and shall provide a copy of the warranty. These warranties shall be in addition to all other warranties, express, implied or statutory, and shall survive the State's payment, acceptance, inspection or failure to inspect the supplies.

2.9.3 Vendor warrants that all services will be performed to meet the requirements of the contract in an efficient and effective manner by trained and competent personnel. Vendor shall monitor performances of each individual and shall reassign immediately any individual who is not performing in accordance with the contract, who is disruptive or not respectful of others in the workplace, or who in any way violates the contract or State policies.

2.10 REPORTING, STATUS AND MONITORING SPECIFICATIONS:

2.10.1 Vendor shall immediately notify the State of any event that may have a material impact on Vendor's ability to perform the contract.

2.10.2 By August 31 of each year, Vendor shall report the number of qualified veterans and certain ex-offenders hired during Vendor's last completed fiscal year. Vendor may be entitled to employment tax credit for hiring individuals in those groups (35 ILCS 5/216, 5/217).

3. **PRICING**

3.1 METHOD AND RATE OF COMPENSATION: The State will compensate Vendor for the initial term as follows:

- ☒ Hourly _____
☐ Monthly _____
☐ Annually _____
☐ Project _____
☐ Item (show unit of measure and rate) _____

3.2 **TYPE OF PRICING:**

- ☐ Firm _____
☒ Estimated (total for Phase 1 and 2 testing, including expenses) _____

3.3 RENEWAL COMPENSATION: If this contract is renewed, the price shall be at the same rate as for the initial term unless a different compensation or formula for determining the renewal compensation is stated in this section.

3.4 EXPENSES: Any expenses that Vendor may charge are shown in this section. The State will not compensate Vendor for expenses related to travel, lodging or meal.

3.5 DISCOUNT: _____ % discount for payment within _____ days of receipt of invoice

3.6 TAX: Vendor shall not bill for any taxes unless accompanied by proof the State is subject to the tax. If necessary, Vendor may request the applicable agency's Illinois tax exemption number and federal tax exemption information.

3.7 INVOICING: Vendor shall invoice at the completion of the contract unless invoicing is tied in this contract to milestones, deliverables, or other invoicing requirements agreed to in this contract.

Send invoices to Illinois Lottery, Attn: Chief Operations & Technology Officer, 100 West Randolph, Suite 7-901, Chicago, IL 60601..

3.8 **PAYMENT TERMS AND CONDITIONS:**

3.8.1 By submitting an invoice, Vendor certifies that the supplies or services provided meet all requirements of the contract, and the amount billed and expenses incurred are as allowed in the contract. Invoices for supplies purchased, services performed and expenses incurred through June 30 of any year must be submitted to the State no later than July 31 of that year; otherwise Vendor may have to seek payment through the Illinois Court of Claims (30 ILCS 105/25). All invoices are subject to statutory offset (30 ILCS 210).

3.8.2 Payments, including late payment charges, will be paid in accordance with the State Prompt Payment Act (30 ILCS 540) and rules (74 Ill. Adm. Code 900) when applicable. This shall be Vendor's sole remedy for late payments by the State. Payment terms contained on Vendor's invoices shall have no force and effect.

3.8.3 The State will not pay for supplies provided or services rendered, including related expenses, incurred prior to the execution of this contract by the Parties even if the effective date of the contract is prior to execution.

3.8.4 As a condition of receiving payment Vendor must (i) be in compliance with the contract, (ii) pay its employees prevailing wages when required by law (Examples of prevailing wage categories include public works, printing, janitorial, window washing, building and grounds services, site technician services, natural resource services, security guard and food services. Vendor is responsible for contacting the Illinois Dept. of Labor 217-782-6206; <http://www.state.il.us/agency/idol/index.htm> to ensure understanding of prevailing wage requirements), (iii) pay its suppliers and subcontractors according to the terms of their respective contracts, and (iv) provide lien waivers to the State upon request.

4. STANDARD BUSINESS TERMS AND CONDITIONS

4.1 AVAILABILITY OF APPROPRIATION (30 ILCS 500/20-60): This contract is contingent upon and subject to the availability of funds. The State, at its sole option, may terminate or suspend this contract, in whole or in part, without penalty or further payment being required, if (1) the Illinois General Assembly or the federal funding source fails to make an appropriation sufficient to pay such obligation, or if funds needed are insufficient for any reason, (2) the Governor decreases the Department's funding by reserving some or all of the Department's appropriation(s) pursuant to power delegated to the Governor by the Illinois General Assembly; or (3) the Department determines, in its sole discretion or as directed by the Office of the Governor, that a reduction is necessary or advisable based upon actual or projected budgetary considerations. Contractor will be notified in writing of the failure of appropriation or of a reduction or decrease.

4.2 AUDIT/RETENTION OF RECORDS (30 ILCS 500/20-65): Vendor and its subcontractors shall maintain books and records relating to the performance of the contract or subcontract and necessary to support amounts charged to the State under the contract or subcontract. Books and records, including information stored in databases or other computer systems, shall be maintained by the Vendor for a period of three years from the later of the date of final payment under the contract or completion of the contract, and by the subcontractor for a period of three years from the later of final payment under the term or completion of the subcontract. If federal funds are used to pay contract costs, the Vendor and its subcontractors must retain its records for five years. Books and records required to be maintained under this section shall be available for review or audit by representatives of: the procuring Agency, the Auditor General, the Executive Inspector General, the Chief Procurement Officer, State of Illinois internal auditors or other governmental entities with monitoring authority, upon reasonable notice and during normal business hours. Vendor and its subcontractors shall cooperate fully with any such audit and with any investigation conducted by any of these entities. Failure to maintain books and records required by this section shall establish a presumption in favor of the State for the recovery of any funds paid by the State under the contract for which adequate books and records are not available to support the purported disbursement. The Vendor or subcontractors shall not impose a charge for audit or examination of the Vendor's books and records.

4.3 TIME IS OF THE ESSENCE: Time is of the essence with respect to Vendor's performance of this contract. Vendor shall continue to perform its obligations while any dispute concerning the contract is being resolved unless otherwise directed by the State.

4.4 NO WAIVER OF RIGHTS: Except as specifically waived in writing, failure by a Party to exercise or enforce a right does not waive that Party's right to exercise or enforce that or other rights in the future.

4.5 FORCE MAJEURE: Failure by either Party to perform its duties and obligations will be excused by unforeseeable circumstances beyond its reasonable control and not due to its negligence including acts of nature, acts of terrorism, riots, labor disputes, fire, flood, explosion, and governmental prohibition. The non-declaring Party may cancel the contract without penalty if performance does not resume within 30 days of the declaration.

4.6 CONFIDENTIAL INFORMATION: Each Party, including its agents and subcontractors, to this contract may have or gain access to confidential data or information owned or maintained by the other Party in the course of carrying out its responsibilities under this contract. Vendor shall presume all information received from the State or to which it gains access pursuant to this contract is confidential. Vendor information, unless clearly marked as confidential and exempt from disclosure under the Illinois Freedom of Information Act, shall be considered public. No confidential data collected, maintained, or used in the course of performance of the contract shall be disseminated except as authorized by law and with the written consent of the disclosing Party, either during the period of the contract or thereafter. The receiving Party must return any and all data collected, maintained, created or used in the course of the performance of the contract, in whatever form it is maintained, promptly at the end of the contract, or earlier at the request of the disclosing Party, or notify the disclosing Party in writing of its destruction. The foregoing obligations shall not apply to confidential data or information lawfully in the receiving Party's possession prior to its acquisition from the disclosing Party; received in good faith from a third-party not subject to any confidentiality obligation to the disclosing Party; now is or later becomes publicly known through no breach of confidentiality obligation by the receiving Party; or is independently developed by the receiving Party without the use or benefit of the disclosing Party's confidential information.

4.7 USE AND OWNERSHIP: All work performed or supplies created by Vendor under this contract, whether written documents or data, goods or deliverables of any kind, shall be deemed work-for-hire under copyright law and all intellectual property and other laws, and the State of Illinois is granted sole and exclusive ownership to all such work, unless otherwise agreed in writing. Vendor hereby assigns to the State all right, title, and interest in and to such work including any related intellectual property rights, and/or waives any and all claims that Vendor may have to such work including any so-called "moral rights" in connection with the work. Vendor acknowledges the State may use the work product for any purpose. Confidential data or information contained in such work shall be subject to confidentiality provisions of this contract.

4.8 INDEMNIFICATION AND LIABILITY: The Vendor shall indemnify and hold harmless the State of Illinois, its agencies, officers, employees, agents and volunteers from any and all costs, demands, expenses, losses, claims, damages, liabilities, settlements and judgments, including in-house and contracted attorneys' fees and expenses, arising out of: (a) any breach or violation by Vendor of any of its certifications, representations, warranties, covenants or agreements; (b) any actual or alleged death or injury to any person, damage to any property or any other damage or loss claimed to result in whole or in part from Vendor's negligent performance; or (c) any act, activity or omission of Vendor or any of its employees, representatives, subcontractors or agents. Neither Party shall be liable for incidental, special, consequential or punitive damages.

4.9 INSURANCE: Vendor shall, at all times during the term and any renewals, maintain and provide a Certificate of Insurance naming the State as additional insured for all required bonds and insurance. Certificates may not be modified or canceled until at least 30 days notice has been provided to the State. Vendor shall provide: (a) General Commercial Liability-occurrence form in amount of \$1,000,000 per occurrence (Combined

Single Limit Bodily Injury and Property Damage) and \$2,000,000 Annual Aggregate; (b) Auto Liability, including Hired Auto and Non-owned Auto, (Combined Single Limit Bodily Injury and Property Damage) in amount of \$1,000,000 per occurrence; and (c) Worker's Compensation Insurance in amount required by law. Insurance shall not limit Vendor's obligation to indemnify, defend, or settle any claims.

4.10 INDEPENDENT CONTRACTOR: Vendor shall act as an independent contractor and not an agent or employee of, or joint venturer with the State. All payments by the State shall be made on that basis.

4.11 SOLICITATION AND EMPLOYMENT: Vendor shall not employ any person employed by the State during the term of this contract to perform any work under this contract. Vendor shall give notice immediately to the Agency's director if Vendor solicits or intends to solicit State employees to perform any work under this contract.

4.12 COMPLIANCE WITH THE LAW: The Vendor, its employees, agents, and subcontractors shall comply with all applicable federal, state, and local laws, rules, ordinances, regulations, orders, federal circulars and all license and permit requirements in the performance of this contract. Vendor shall be in compliance with applicable tax requirements and shall be current in payment of such taxes. Vendor shall obtain at its own expense, all licenses and permissions necessary for the performance of this contract.

4.13 BACKGROUND CHECK: Whenever the State deems it reasonably necessary for security reasons, the State may conduct, at its expense, criminal and driver history background checks of Vendor's and subcontractors officers, employees or agents. Vendor or subcontractor shall reassign immediately any such individual who, in the opinion of the State, does not pass the background checks.

4.14 APPLICABLE LAW: This contract shall be construed in accordance with and is subject to the laws and rules of the State of Illinois. The Department of Human Rights' Equal Opportunity requirements (44 Ill. Adm. Code 750) are incorporated by reference. Any claim against the State arising out of this contract must be filed exclusively with the Illinois Court of Claims (705 ILCS 505/1). The State shall not enter into binding arbitration to resolve any contract dispute. The State of Illinois does not waive sovereign immunity by entering into this contract. The official text of cited statutes is incorporated by reference (An unofficial version can be viewed at <http://www.ilga.gov/legislation/ilcs/ilcs.asp>). In compliance with the Illinois and federal Constitutions, the Illinois Human Rights Act, the U. S. Civil Rights Act, and Section 504 of the federal Rehabilitation Act and other applicable laws and rules the State does not unlawfully discriminate in employment, contracts, or any other activity.

4.15 ANTI-TRUST ASSIGNMENT: If Vendor does not pursue any claim or cause of action it has arising under federal or state antitrust laws relating to the subject matter of the contract, then upon request of the Illinois Attorney General, Vendor shall assign to the State rights, title and interest in and to the claim or cause of action.

4.16 CONTRACTUAL AUTHORITY: The Agency that signs for the State of Illinois shall be the only State entity responsible for performance and payment under the contract. When the Chief Procurement Officer or authorized designee signs in addition to an Agency, they do so as approving officer and shall have no liability to Vendor. When the Chief Procurement officer or authorized designee signs a master contract on behalf of State agencies, only the Agency that places an order with the Vendor shall have any liability to Vendor for that order.

4.17 NOTICES: Notices and other communications provided for herein shall be given in writing by registered or certified mail, return receipt requested, by receipted hand delivery, by courier (UPS, Federal Express or other similar and reliable carrier), by e-mail, or by fax showing the date and time of successful receipt. Notices shall be sent to the individuals who signed the contract using the contact information following the signatures. Each such notice shall be deemed to have been provided at the time it is actually received. By giving notice, either Party may change the contact information.

4.18 MODIFICATIONS AND SURVIVAL: Amendments, modifications and waivers must be in writing and signed by authorized representatives of the Parties. Any provision of this contract officially declared void, unenforceable, or against public policy, shall be ignored and the remaining provisions shall be interpreted, as far as possible, to give effect to the Parties' intent. All provisions that by their nature would be expected to survive, shall survive termination. In the event of a conflict between the State's and the Vendor's terms, conditions and attachments, the State's terms, conditions and attachments shall prevail.

4.19 PERFORMANCE RECORD / SUSPENSION: Upon request of the State, Vendor shall meet to discuss performance or provide contract performance updates to help ensure proper performance of the contract. The State may consider Vendor's performance under this contract and compliance with law and rule to determine whether to continue the contract, suspend Vendor from doing future business with the State for a specified period of time, or to determine whether Vendor can be considered responsible on specific future contract opportunities.

4.20 FREEDOM OF INFORMATION ACT: This contract and all related public records maintained by, provided to or required to be provided to the State are subject to the Illinois Freedom of Information Act notwithstanding any provision to the contrary that may be found in this contract.

5. STANDARD CERTIFICATIONS

Vendor acknowledges and agrees that compliance with this section and each subsection for the term of the contract and any renewals is a material requirement and condition of this contract. By executing this contract Vendor certifies compliance with this section and each subsection and is under a continuing obligation to remain in compliance and report any non-compliance.

This section, and each subsection, applies to subcontractors used on this contract. Vendor shall include these Standard Certifications in any subcontract used in the performance of the contract using the Standard Subcontractor Certification form provided by the State.

If this contract extends over multiple fiscal years including the initial term and all renewals, Vendor and its subcontractors shall confirm compliance with this section in the manner and format determined by the State by the date specified by the State and in no event later than July 1 of each year that this contract remains in effect.

If the Parties determine that any certification in this section is not applicable to this contract it may be stricken without affecting the remaining subsections.

5.1 As part of each certification, Vendor acknowledges and agrees that should Vendor or its subcontractors provide false information, or fail to be or remain in compliance with the Standard Certification requirements, one or more of the following sanctions will apply:

- the contract may be void by operation of law,
- the State may void the contract, and
- the Vendor and its subcontractors may be subject to one or more of the following: suspension, debarment, denial of payment, civil fine, or criminal penalty.

Identifying a sanction or failing to identify a sanction in relation to any of the specific certifications does not waive imposition of other sanctions or preclude application of sanctions not specifically identified.

5.2 Vendor certifies it and its employees will comply with applicable provisions of the U.S. Civil Rights Act, Section 504 of the Federal Rehabilitation Act, the Americans with Disabilities Act (42 U.S.C. § 12101 et seq.) and applicable rules in performance under this contract.

5.3 Vendor certifies it is not in default on an educational loan (5 ILCS 385/3). This applies to individuals, sole proprietorships, partnerships and individuals as members of LLCs.

5.4 Vendor (if an individual, sole proprietor, partner or an individual as member of a LLC) certifies it has not received an (i) an early retirement incentive prior to 1993 under Section 14-108.3 or 16-133.3 of the Illinois Pension Code, 40 ILCS 5/14-108.3 and 40 ILCS 5/16-133.3, or (ii) an early retirement incentive on or after 2002 under Section 14-108.3 or 16-133.3 of the Illinois Pension Code, 40 ILCS 5/14-108.3 and 40 ILCS 5/16-133, (30 ILCS 105/15a).

5.5 Vendor certifies it is a properly formed and existing legal entity (30 ILCS 500/1.15.80, 20-43); and as applicable has obtained an assumed name certificate from the appropriate authority, or has registered to conduct business in Illinois and is in good standing with the Illinois Secretary of State.

5.6 To the extent there was a incumbent Vendor providing the services covered by this contract and the employees of that Vendor that provide those services are covered by a collective bargaining agreement, Vendor certifies (i) that it will offer to assume the collective bargaining obligations of the prior employer, including any existing collective bargaining agreement with the bargaining representative of any existing collective bargaining unit or units performing substantially similar work to the services covered by the contract subject to its bid or offer; and (ii) that it shall offer employment to all employees currently employed in any existing bargaining unit performing substantially similar work that will be performed under this contract (30 ILCS 500/25-80). This does not apply to heating, air conditioning, plumbing and electrical service contracts.

5.7 Vendor certifies it has not been convicted of bribing or attempting to bribe an officer or employee of the State of Illinois or any other State, nor has Vendor made an admission of guilt of such conduct that is a matter of record (30 ILCS 500/50-5).

5.8 If Vendor has been convicted of a felony, Vendor certifies at least five years have passed after the date of completion of the sentence for such felony, unless no person held responsible by a prosecutor's office for the facts upon which the conviction was based continues to have any involvement with the business (30 ILCS 500/50-10).

5.9 If Vendor, or any officer, director, partner, or other managerial agent of Vendor, has been convicted of a felony under the Sarbanes-Oxley Act of 2002, or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953, Vendor certifies at least five years have passed since the date of the conviction. Vendor further certifies that it is not barred from being awarded a contract and acknowledges that the State shall declare the contract void if this certification is false (30 ILCS 500/50-10.5).

5.10 Vendor certifies it is not barred from having a contract with the State based on violating the prohibition on providing assistance to the state in identifying a need for a contract (except as part of a public request for information process) or by reviewing, drafting or preparing solicitation or similar documents for the State (30 ILCS 500/50-10.5e).

- 5.11** Vendor certifies that it and its affiliates are not delinquent in the payment of any debt to the State (or if delinquent has entered into a deferred payment plan to pay the debt), and Vendor and its affiliates acknowledge the State may declare the contract void if this certification is false (30 ILCS 500/50-11) or if Vendor or an affiliate later becomes delinquent and has not entered into a deferred payment plan to pay off the debt (30 ILCS 500/50-60).
- 5.12** Vendor certifies that it and all affiliates shall collect and remit Illinois Use Tax on all sales of tangible personal property into the State of Illinois in accordance with provisions of the Illinois Use Tax Act (30 ILCS 500/50-12) and acknowledges that failure to comply can result in the contract being declared void.
- 5.13** Vendor certifies that it has not been found by a court or the Pollution Control Board to have committed a willful or knowing violation of the Environmental Protection Act within the last five years, and is therefore not barred from being awarded a contract (30 ILCS 500/50-14).
- 5.14** Vendor certifies it has not paid any money or valuable thing to induce any person to refrain from bidding on a State contract, nor has Vendor accepted any money or other valuable thing, or acted upon the promise of same, for not bidding on a State contract (30 ILCS 500/50-25).
- 5.15** Vendor certifies it is not in violation of the "Revolving Door" section of the Illinois Procurement Code (30 ILCS 500/50-30).
- 5.16** Vendor certifies that it has not retained a person or entity to attempt to influence the outcome of a procurement decision for compensation contingent in whole or in part upon the decision or procurement (30 ILCS 500/50-38).
- 5.17** Vendor certifies it will report to the Illinois Attorney General and the Chief Procurement Officer any suspected collusion or other anti-competitive practice among any bidders, offerors, contractors, proposers or employees of the State (30 ILCS 500/50-40, 50-45, 50-50).
- 5.18** In accordance with the Steel Products Procurement Act, Vendor certifies steel products used or supplied in the performance of a contract for public works shall be manufactured or produced in the United States, unless the executive head of the procuring agency grants an exception (30 ILCS 565).
- 5.19** a) If Vendor employs 25 or more employees and this contract is worth more than \$5000, Vendor certifies it will provide a drug free workplace pursuant to the Drug Free Workplace Act.
b) If Vendor is an individual and this contract is worth more than \$5000, Vendor shall not engage in the unlawful manufacture, distribution, dispensation, possession or use of a controlled substance during the performance of the contract (30 ILCS 580).
- 5.20** Vendor certifies that neither Vendor nor any substantially owned affiliate is participating or shall participate in an international boycott in violation of the U.S. Export Administration Act of 1979 or the applicable regulations of the U.S. Department of Commerce. This applies to contracts that exceed \$10,000 (30 ILCS 582).
- 5.21** Vendor certifies it has not been convicted of the offense of bid rigging or bid rotating or any similar offense of any state or of the United States (720 ILCS 5/33 E-3, E-4).
- 5.22** Vendor certifies it complies with the Illinois Department of Human Rights Act and rules applicable to public contracts, including equal employment opportunity, refraining from unlawful discrimination, and having written sexual harassment policies (775 ILCS 5/2-105).
- 5.23** Vendor certifies it does not pay dues to or reimburse or subsidize payments by its employees for any dues or fees to any "discriminatory club" (775 ILCS 25/2).
- 5.24** Vendor certifies it complies with the State Prohibition of Goods from Forced Labor Act, and certifies that no foreign-made equipment, materials, or supplies furnished to the State under the contract have been or will be produced in whole or in part by forced labor, or indentured labor under penal sanction (30 ILCS 583).
- 5.25** Vendor certifies that no foreign-made equipment, materials, or supplies furnished to the State under the contract have been produced in whole or in part by the labor or any child under the age of 12 (30 ILCS 584).
- 5.26** Vendor certifies that it is not in violation of Section 50-14.5 of the Illinois Procurement Code (30 ILCS 500/50-14.5) that states: "Owners of residential buildings who have committed a willful or knowing violation of the Lead Poisoning Prevention Act (410 ILCS 45) are prohibited from doing business with the State until the violation is mitigated".
- 5.27** Vendor warrants and certifies that it and, to the best of its knowledge, its subcontractors have and will comply with Executive Order No. 1 (2007). The Order generally prohibits Vendors and subcontractors from hiring the then-serving Governor's family members to lobby procurement activities of the State, or any other unit of government in Illinois including local governments if that procurement may result in a contract valued at over \$25,000. This prohibition also applies to hiring for that same purpose any former State employee who had procurement authority at any time during the one-year period preceding the procurement lobbying activity.

5.28 Vendor certifies that information technology, including electronic information, software, systems and equipment, developed or provided under this contract will comply with the applicable requirements of the Illinois Information Technology Accessibility Act Standards as published at www.dhs.state.il.us/iitaa. (30 ILCS 587)

5.29 Vendor certifies that it has read, understands, and is in compliance with the registration requirements of the Elections Code (10 ILCS 5/9-35) and the restrictions on making political contributions and related requirements of the Illinois Procurement Code (30 ILCS 500/20-160 and 50-37). Vendor will not make a political contribution that will violate these requirements. These requirements are effective for the duration of the term of office of the incumbent Governor or for a period of 2 years after the end of the contract term, whichever is longer.

In accordance with section 20-160 of the Illinois Procurement Code, Vendor certifies as applicable:

☐ Vendor is not required to register as a business entity with the State Board of Elections.

or

☐ Vendor has registered **and has attached a copy** of the official certificate of registration as issued by the State Board of Elections. As a registered business entity, Vendor acknowledges a continuing duty to update the registration as required by the Act.

6.0 DISCLOSURES AND CONFLICTS OF INTEREST

Instructions: Vendor shall disclose financial interests, potential conflicts of interest and contract information identified in Sections 1, 2 and 3 below as a condition of receiving an award or contract (30 ILCS 500/50-13 and 50-35). Failure to fully disclose shall render the contract, bid, proposal, subcontract, or relationship voidable by the chief procurement officer if s/he deems it in the best interest of the State of Illinois and may be cause for barring from future contracts, bids, proposals, subcontracts, or relationships with the State.

- There are five sections to this form and each must be completed to meet full disclosure requirements.
- Note: The requested disclosures are a continuing obligation and must be promptly supplemented for accuracy throughout the process and throughout the term of the resultant contract if the bid/offer is awarded. As required by 30 ILCS 500/50-2, for multi-year contracts Vendors must submit these disclosures on an annual basis.

A publicly traded entity may submit its 10K disclosure in satisfaction of the disclosure requirements set forth in Section 1 below. HOWEVER, if a Vendor submits a 10K, they must still must complete Sections 2, 3, 4 and 5 and submit the disclosure form.

If the Vendor is a wholly owned subsidiary of a parent organization, separate disclosures must be made by the Vendor and the parent. For purposes of this form, a parent organization is any entity that owns 100% of the Vendor.

This disclosure information is submitted on behalf of (show official name of Vendor, and if applicable, D/B/A and parent):

Name of Vendor: _____

D/B/A (if used): _____

Name of any Parent Organization: _____

Section 1: Section 50-35 Disclosure of Financial Interest in the Vendor. *(All Vendors must complete this section)*

Vendors must complete subsection (a), (b) or (c) below. Please read the following subsections and complete the information requested.

- a. If Vendor is a Publicly traded corporation subject to SEC reporting requirements
- i. Vendor shall submit their 10K disclosure (include proxy if referenced in 10k) in satisfaction of the financial and conflict of interest disclosure requirements set forth in subsections 50-35 (a) and (b) of the Procurement Code. The SEC 20f or 40f, supplemented with the names of those owning in excess of 5% and up to the ownership percentages disclosed in those submissions, may be accepted as being substantially equivalent to 10K.

Check here if submitting a 10k ☐, 20f ☐, or 40f ☐.

OR

- b. If Vendor is a privately held corporation with more than 400 shareholders
- i. These Vendors may submit the information identified in 17 CFR 229.401 and list the names of any person or entity holding any ownership share in excess of 5% in satisfaction of the financial and conflict of interest disclosure requirements set forth in subsections 50-35 a and b of the Illinois Procurement Code.

OR

- c. If Vendor is an individual, sole proprietorship, partnership or any other not qualified to use subsections (A) or (B), complete (i) and (ii) below as appropriate.
- i. For **each individual** having any of the following financial interests in the Vendor (or its parent), please mark each that apply and show the applicable name and address. Use a separate form for each individual.

1. Do you have an ownership share of greater than 5% of the offering entity or parent entity?

☐ Yes ☐ No

2. Do you have an ownership share of less than 5%, but which has a value greater than \$106,447.20?

☐ Yes ☐ No

3. Do you receive more than \$106,447.20 of the offering entity's or parent entity's distributive income? (Note: Distributive income is, for these purposes, any type of distribution of profits. An annual salary is not distributive income.)

☐ Yes ☐ No

4. Do you receive greater than 5% of the offering entity's or parent entity's total distributive income, but which is less than \$106,447.20?

☐ Yes ☐ No

5. If you responded yes to any of questions 1 – 4 above, please provide either the percentage or dollar amount of your ownership or distributive share of income: _____. For partnerships with more than 50 partners, the percentage share of ownership of each individual identified above may be shown in the following ranges (dollar value fields must also be completed when applicable):

0.5% or less _____ >0.5 to 1.0% _____ >1.0 to 2.0% _____ >2.0 to 3.0 % _____ > 3.0 to 4.0% _____ %
>4.0 to 5.0% _____ and in additional 1% increments as appropriate _____ %

6. If you responded yes to any of the questions 1-4 above, please check the appropriate type of ownership/distributable income share:

Sole Proprietorship ☐ Stock ☐ Partnership ☐ Other (explain) _____

Name: _____

Address: _____

ii. In relation to individuals identified above, indicate whether any of the following potential conflict of interest relationships apply. If "Yes," please describe each situation (label with appropriate letter) using the space at the end of this Section (attach additional pages as necessary). If no individual has been identified above, mark not applicable (N/A) here _____.

(a) State employment, currently or in the previous 3 years, including contractual employment of services directly with the individuals identified in Section 1 in their individual capacity unrelated to the Vendor's contract. Yes ☐ No ☐

(b) State employment of spouse, father, mother, son, or daughter, including contractual employment for services in the previous 2 years. Yes ☐ No ☐

(c) Elective status; the holding of elective office of the State of Illinois, the government of the United States, any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois currently or in the previous 3 years. Yes ☐ No ☐

(d) Relationship to anyone holding elective office currently or in the previous 2 years; spouse, father, mother, son, or daughter. Yes ☐ No ☐

(e) Appointive office; the holding of any appointive government office of the State of Illinois, the United States of America, or any unit of local government authorized by the Constitution of the State of Illinois or the statutes of the State of Illinois, which office entitles the holder to compensation in excess of expenses incurred in the discharge of that office currently or in the previous 3 years. Yes ☐ No ☐

(f) Relationship to anyone holding appointive office currently or in the previous 2 years; spouse, father, mother, son, or daughter. Yes ☐ No ☐

(g) Employment, currently or in the previous 3 years, as or by any registered lobbyist of the State government. Yes ☐ No ☐

(h) Relationship to anyone who is or was a registered lobbyist in the previous 2 years; spouse, father, mother, son, or daughter. Yes ☐ No ☐

(i) Compensated employment, currently or in the previous 3 years, by any registered election or re-election committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections. Yes ☐ No ☐

(j) Relationship to anyone; spouse, father, mother, son, or daughter; who is or was a compensated employee in the last 2 years of any registered election or reelection committee registered with the Secretary of State or any county clerk in the State of Illinois, or any political action committee registered with either the Secretary of State or the Federal Board of Elections. Yes ☐ No ☐

Section 2: Section 50-13 Conflicts of Interest *(All Vendors must complete this section)*

(a) Prohibition. It is unlawful for any person holding an elective office in this State, holding a seat in the General Assembly, or appointed to or employed in any of the offices or agencies of State government and who receives compensation for such employment in excess of 60% of the salary of the Governor of the State of Illinois [\$106,447.20], or who is an officer or employee of the Capital Development Board or the Illinois Toll Highway Authority, or who is the spouse or minor child of any such person to have or acquire any contract, or any direct pecuniary interest in any contract therein, whether for stationery, printing, paper, or any services, materials, or supplies, that will be wholly or partially satisfied by the payment of funds appropriated by the General Assembly of the State of Illinois or in any contract of the Capital Development Board or the Illinois Toll Highway Authority.

(b) Interests. It is unlawful for any firm, partnership, association, or corporation, in which any person listed in subsection (a) is entitled to receive (i) more than 7 1/2% of the total distributable income or (ii) an amount in excess of the salary of the Governor (\$177,412.00), to have or acquire any such contract or direct pecuniary interest therein.

(c) Combined interests. It is unlawful for any firm, partnership, association, or corporation, in which any person listed in subsection (a) together with his or her spouse or minor children is entitled to receive (i) more than 15%, in the aggregate, of the total distributable income or (ii) an amount in excess of 2 times the salary of the Governor [\$354,824.00], to have or acquire any such contract or direct pecuniary interest therein.

Check One: ☐ No Conflicts Of Interest
☐ Potential Conflict of Interest (If checked, name each conflicted individual, the nature of the conflict, and the name of the State agency that is associated directly or indirectly with the conflicted individual.)

Section 3: Debarment/Legal Proceeding Disclosure *(All Vendors must complete this section).*

Each of the persons identified in Sections 1, 2 and 3 must each identify any of the following that occurred within the previous 10 years:

Debarment from contracting with any governmental entity	Yes ☐	No ☐
Professional licensure discipline	Yes ☐	No ☐
Bankruptcies	Yes ☐	No ☐
Adverse civil judgments and administrative findings	Yes ☐	No ☐
Criminal felony convictions	Yes ☐	No ☐

If any of the above is checked yes, please identify with descriptive information the nature of the debarment and legal proceeding. The State reserves the right to request more information, should the information need further clarification.

Section 4: Disclosure of Business Operations with Iran *(All Vendors must complete this section).*

In accordance with 30 ILCS 500/50-36, each bid, offer, or proposal submitted for a State contract, other than a small purchase defined in Section 20-20 [of the Illinois Procurement Code], shall include a disclosure of whether or not the bidder, offeror, or proposing entity, or any of its corporate parents or subsidiaries, within the 24 months before submission of the bid, offer, or proposal had business operations that involved contracts with or provision of supplies or services to the Government of Iran, companies in which the Government of Iran has any direct or indirect equity share, consortiums or projects commissioned by the Government of Iran and:

- i. more than 10% of the company's revenues produced in or assets located in Iran involve oil-related activities or mineral-extraction activities; less than 75% of the company's revenues produced in or assets located in Iran involve contracts with or provision of oil-related or mineral – extraction products or services to the Government of Iran or a project or consortium created exclusively by that Government; and the company has failed to take substantial action;
or
- ii. the company has, on or after August 5, 1996, made an investment of \$20 million or more, or any combination of investments of at least \$10 million each that in the aggregate equals or exceeds \$20 million in any 12- month period that directly or significantly contributes to the enhancement of Iran's ability to develop petroleum resources of Iran.

A bid, offer, or proposal that does not include this disclosure shall not be considered responsive. We may consider this disclosure when evaluating the bid, offer, or proposal or awarding the contract.

You must check one of the following items and if item 2 is checked you must also make the necessary disclosure:

☐ There are no business operations that must be disclosed to comply with the above cited law.

☐ The following business operations are disclosed to comply with the above cited law:

Section 5: Current and Pending Contracts *(All Vendors must complete this section).*

Does the Vendor have any contracts pending contracts, bids, proposals or other ongoing procurement relationships with units of State of Illinois government? Yes ☐ No ☐

If yes, please identify each contract, pending contract, bid, proposal and other ongoing procurement relationship it has with units of State of Illinois government by showing agency name and other descriptive information such as bid number, project title, purchase order number or contract reference number.

Section 6: Representative Lobbyist/Other Agent *(All Vendors must complete this section).*

Is the Vendor represented by or employing a lobbyist required to register under the Lobbyist Registration Act or other agent who is not identified under Sections 1 and 2 and who has communicated, is communicating, or may communicate with any State officer or employee concerning the bid, offer or contract? Yes ☐ No ☐

If yes, please identify each agent / lobbyist, including name and address.

Costs/Fees/Compensation/Reimbursements related to assistance to obtain contract (describe):

Vendor certifies that none of these costs will be billed to the State in the event of contract award. Vendor must file this information with the Secretary of State.

This Disclosure is signed and made under penalty of perjury pursuant to Sections 500/50-13 and 500/50-35(a) of the Illinois Procurement Code.

This Disclosure information is submitted on behalf of: _____
(Vendor/Subcontractor Name)

Name of Authorized Representative: _____
Title of Authorized Representative: _____
Signature of Authorized Representative: _____
Date: _____

7. **SUPPLEMENTAL PROVISIONS**

7.1 **State Supplemental Provisions**

- ☐ Definitions
- ☐ Required Federal Clauses, Certifications and Assurances
- ☐ ARRA Requirements (American Recovery and Reinvestment Act of 2009)
- ☐ Public Works Requirements (construction and maintenance of a public work) (820 ILCS 130/4)
- ☐ Prevailing Wage (janitorial cleaning, window cleaning, building and grounds, site technician, natural resources, food services, and security services, if valued at more than \$200 per month or \$2000 per year (30 ILCS 500/25-60)
- ☐ Prevailing Wage (all printing contracts) (30 ILCS 500/25-60)
- ☐ BEP Subcontracting Requirements (Utilization Plan and Letter of Intent)
- ☒ Other (describe) Vendor, its officers and employees, and members of the officers' and employees' households, are prohibited from purchasing or redeeming Illinois Lottery tickets during the term of this contract, except as may be necessary and specifically authorized in connection with system testing.

7.2 **Vendor Supplemental Provisions**

- ☐ _____

Powerball 5/59 + 1/39 Game

MINIMUM SYSTEM STANDARDS FOR CONVERTING TO A NEW GAMING SYSTEM

STANDARD 1 - SYSTEM CONFIGURATION

The system configuration used to test the Powerball 5/59 + 1/39 game must meet the following standards:

- _____ a. plays must be entered into the system through terminals representing all those present in the field (including player operated terminals). All types of terminal connectivity must be represented (dialup, VSAT, multi-drop, VPN, etc) on their own dedicated devices. Please enter terminal types and types of connectivity tested:

- _____ b. a play generator must be used at the system level during some portion of the test to simulate the system under an expected load condition and must be in operation when test plays are entered through the sales terminals.

Play Generator Developed By: _____

Plays per minute Generated: _____

Total Time of Load Test: _____

Total Plays Made: _____

Peak Percentage System Load During Test: _____

- _____ c. other on-line game(s) on the gaming system, regardless of whether for the member lottery's jurisdiction, if any, must also be operational during this test.
- _____ d. unless an exception is granted by the MUSL Security & Integrity Committee, the system under test must be the same as, or functionally identical to, the physical and software gaming system configuration which will be put into production at the member Lottery.
- _____ e. at the time of testing, the on-line test system must be installed at the primary or backup data center of the Lottery's on-line system vendor.
- _____ f. unless an exception is granted by the MUSL Security & Integrity Committee, the ICS system under test must be the same as, or functionally identical to, the physical and software system configuration which will be put into production at the member Lottery.
- _____ g. each drawing must have sales and winners reports processed by the test on-line gaming system and ICS system. These reports should be compared (balanced) against each other for each drawing.

STANDARD 2 – DRAWINGS, PART I General Requirements

The acceptance test must include a minimum of eight drawings in the Powerball game, including:

- _____ a. a minimum of two drawings in the current game

- _____b. a minimum of six drawings in the new game (detail in Standard 2, Part III, note the option to perform four additional drawings, detailed as drawings seven, eight, nine, and ten in subsections l, m and n)
- _____c. after completion of the drawings for the current game, the system shall be converted to the new gaming system.
- _____d. the data for each test drawing must be processed and balanced by the Lottery ICS system to verify the accuracy of the gaming system and the possible replacement Lottery ICS system (note that these standards apply regardless of whether the new gaming system conversion includes a new ICS).

All drawings will need to include tickets where the Power Play option was selected as well as where it was not selected.

The primary purpose of holding drawings in the current game is to test the transition to the new game and to create data files for validations required in the standards below. For the purpose of these standards, it is not considered sufficient to artificially create validation files to perform the validation testing.

Note: These standards assume that no future plays for the replacement gaming system were sold beyond the date for the start of sales under the new gaming system or if future plays were sold they are considered invalid and must be exchanged for a new ticket in order to be valid. Thus, there is no testing requirement to ensure that future plays sold with software for the current (old) gaming system are handled properly by the new gaming system and (potentially new) ICS. With respect to the game being sold under the current (old) gaming system, validation of old-systemgame tickets after the start of sales under the new gaming system is the primary issue.

STANDARD 2 – DRAWINGS, PART II

Current Gaming System Drawings (5/59+1/39)

- _____a. The drawings under the current gaming system shall include one or more play attempts with a white ball selection in the range of 56-59 (test each number). This transaction attempt should be accepted.
- _____b. One of the drawings under the current gaming system (can be same drawing as in ‘a’ in previous step) should have at least one winner at all prize levels.
- _____c. One other drawing under the current gaming system should include at least one prize winner for all set prize categories where the set prizes have been changed to pari-mutuel prizes (all set prizes should be manually set to pay something less than the advertised set prize).
- _____d. If multi-draw plays are available on the current system, one or more multi-draw tickets for the two current game drawings shall be purchased which contain at least one winner for each of the two drawings. These tickets will be used in the validation testing requirements in Standards 6j and 6q below and should contain all multi-draw elements offered. As noted above, it should not be possible to purchase multi-draw plays for drawings under the new gaming system until after the new game is started.
- _____e. If advance plays are available on the current system, one or more advance plays for the second current gaming system drawing should be sold prior to the first current gaming system drawing.
- _____f. At least one of the advance plays shall contain a winning match for the second drawing. It should not be possible to purchase an advance play for a drawing under the new gaming system until after the new game is started unless special provisions have been made to handle these plays.

- _____g. Enter automatic and manual plays continuously through the system from the close of sales under the current gaming system to the start of sales on the new gaming system, ensuring (if applicable) that a mix of plays using the old and new playslips are used. Ensure that the new gaming system only accepts the new playslips and the old gaming system only accepts the old playslips, if your jurisdiction has decided that the plays slips used in the old gaming system should be rejected in the new gaming system. Ensure that manually entered plays include white balls chosen in the 56-59 range. Ensure that these plays are denied under the old gaming system and accepted in the new gaming system.

STANDARD 2 – DRAWINGS, PART III

New Gaming System Drawings (5/59+1/39)

- _____a. The drawings under the new gaming system should include multiple drawings with winning numbers where each white ball from 56-59 is chosen at least once, and one or more winners exists at all prize levels. (Drawing One)
- _____b. The drawings under the new game should also include at least one drawing with no grand prizewinner. (Drawing Two)
- _____c. One drawing with multiple grand prizewinners where some have selected the cash option at purchase, some the annuity option, and others no option selected (if applicable) to test the default selection of the gaming system, where the Match 5 Bonus feature has not been enabled. (Drawing One)
- _____d. One drawing should include at least one prize winner for all set prize categories where the set prizes have been changed to pari-mutuel prizes (all set prizes should be manually set to pay something less than the advertised set prize) and the Match 5 bonus has NOT been activated. (Drawing Three)
- _____e. One drawing should include at least one prize winner playing Power Play for all set prize categories where the Match 5 Bonus mode has set in, creating a Bonus Pool for Match 5+0 winners, to ensure that prize payouts at this tier greater than \$1,000,000 are supported. (Drawing Four)
- _____f. One drawing should include at least one prize winner for all set prize categories except in the Match 5+0 category where the Match 5 Bonus mode has set in, creating a Bonus pool, resulting in a bonus greater than \$90,000 to ensure that prizes in this tier above five digits are supported. (Drawing Five)
- _____g. Winning numbers should be entered into the new system for at least one of the draws that attempts to report a Power Play of '1'. This entry should be denied. (Any of the drawings)
- _____h. Winning numbers should be entered into the new system for at least one of the draws that attempts to report a Power Play of '6'. This entry should be denied. (Any of the drawings)
- _____i. Winning numbers should be entered into the new system for at least one of the draws that attempts to report a winning white ball of '60'. This entry should be denied. (Any of the drawings)
- _____j. Winning numbers should be entered into the new system that attempts to report a winning red ball of 40, a winning red ball of 41, and a winning red ball of 42. These entries should be denied. (Any of the drawings)
- _____k. One drawing should include at least one prize winner for all set prize categories where the set prizes have been changed to pari-mutuel prizes (all set prizes should be manually set to pay something less than the advertised set prize) and the Match 5 Bonus has been activated. Note that the need to go pari-mutuel could occur in any drawing (record jackpot or not) if many more winners than statistically expected existed causing a burn

through of Multi-State Lottery Association's rollover pool (if any) and prize reserves.
(Drawing Six)

- _____ l. OPTIONAL, but please mark whether your system supports this feature: One drawing should include at least one prize winner for all set prize categories where the Power Play shares have been changed to pari-mutuel prizes (all Power Play prizes should be manually set to pay a dollar amount less than the drawn multiplier called for), the set prize has NOT been modified and the Match 5 Bonus has been activated. (Drawing Seven)
- _____ m. OPTIONAL: One drawing should include at least one prize winner for all set prize categories where the Power Play shares have been changed to pari-mutuel prizes (all Power Play prizes should be manually set to pay a dollar amount less than the advertised set multiplier), the set prize has NOT been modified, and the Match 5 Bonus has NOT been activated. (Drawing Eight)
- _____ n. OPTIONAL: Repeat Standard 2, Part III, l and m, with additional drawings that are set to have the set prize also pay a pari-mutual prize. (Drawings Nine and Ten)
- _____ o. Winning numbers should be entered into the new system for at least one of the draws that attempts to report a Power Play of '10'. This entry should be accepted and should result in all Power Play plays (including the Match 5+0 tier) to payout 10 times the normal amount for that non-jackpot winning tier. (Any of the drawings)
- _____ p. Winning numbers should be entered into the new system for at least one of the draws that attempts to report a Power Play of '5'. This entry should be accepted and should result in all Power Play plays to payout five times the normal amount for that non-jackpot winning tier. (Any of the drawings)
- _____ q. Winning numbers should be entered into the new system for at least one of the draws that attempts to report a Power Play of '4'. This entry should be accepted and should result in all Power Play plays to payout four times the normal amount for that non-jackpot winning tier, with the exception of the Match 5+0 tier, which should still payout five times the normal amount. (Any of the drawings)
- _____ r. Winning numbers should be entered into the new system for at least one of the draws that attempts to report a Power Play of '3'. This entry should be accepted and should result in all Power Play plays to payout three times the normal amount for that non-jackpot winning tier, with the exception of the Match 5+0 tier, which should still payout five times the normal amount (Any of the drawings)
- _____ s. Winning numbers should be entered into the new system for at least one of the draws that attempts to report a Power Play of '2'. This entry should be accepted and should result in all Power Play plays to payout two times the normal amount for that non-jackpot winning tier, with the exception of the Match 5+0 tier, which should still payout five times the normal amount (Any of the drawings)
- _____ t. One drawing (the second or later drawing) should begin with a jackpot winner in the prior draw to note that the jackpot resets to \$20,000,000 (possibly automatically on some systems).
- _____ u. ensure that multi-draw, subscription, and advance plays, if available on your gaming system, are not good beyond their intended limit, not to exceed one year. Note that this test may require additional drawings.

STANDARD 3 - PLAY SLIPS

The following plays or tests must be made on all permitted play slips for this game, including play slips with an option for Power Play, if available. Results should confirm that defaults or prompts triggered by the system with each use of a play slip are as expected and accurately recorded.

- _____ a. multiple winning boards on a single play slip if multiple-board play slips are used.
- _____ b. at least one winning board on each board available if multiple-board play slips are used (e.g. at least one slip with a winner on board A; at least on slip with a winner on board B, etc.). Winning boards can be combined on play slips or on individual play slips.
- _____ c. all possible combinations of boards selected must be tested (e.g. a play slip with board A; a play slip with board A and E; etc.). For an example of all combinations on a five-board play slip, see attachment A.
- _____ d. enter plays on each board available on the play slip which include white ball selections in the range of 56-59. Verify that these plays are accurately recorded on the system.
- _____ e. entry plays on each board available on the play slip which include red ball selections in the range of 40-42. Verify that these plays are not accepted as valid plays on the system.
- _____ f. too many numbers marked on a board.
- _____ g. too few numbers marked on a board.
- _____ h. multiple-board play slips with combinations of two few numbers and too many numbers selected.
- _____ i. enter Powerball play slips continuously into the system through the close of sales for one Powerball drawing and into the sales for the next Powerball drawing (drawing dates and values on tickets issued must match with system report).
- _____ j. use play slips with the cash option selected, with the annuity option selected and with no option selected (to test the default case), if applicable.
- _____ k. test all other features of play slip such as advance plays, multi-draw plays, void box, computer pick box, instant ticket sales, etc. If applicable, include invalid combinations of features to ensure that errors are detected.
- _____ l. mark both the player pick numbers on a given set of boards and quick pick on the same boards to determine that the system responds appropriately. On some systems this results in a valid play, where numbers not filled in by the player are quick picked. On other systems this should result in an error.
- _____ m. play six numbers on a play slip other than the one designated for the Powerball game (including in/out-of-state play slips and out-of-state Powerball play slips). The entering of these plays should result in an error.
- _____ n. enter Powerball play slips continuously into the system through the close of sales of an on-line game other than the Powerball game, if available.
- _____ o. If your system is designed to permit players to select some plays (boards) with the Power Play option on a play slip, test all possible combinations to determine that they are accurately recorded. (See Attachment A).
- _____ p. If your system accepts play slips with no area to mark for the Power Play option and if your system relies instead on a screen prompt to the clerk, confirm that the screen prompt is present and that the choices made are accurately recorded.

STANDARD 4 - MANUAL PLAYS

The following plays or tests must be manually entered into a sales terminal, being sure to include plays both with and without the Power Play option wherever plays are called to be entered:

- _____ a. enter multiple winning plays on a multiple board ticket if multiple board tickets are permitted.
- _____ b. at least one winning board on each board available if multiple-board manual plays are used (e.g. at least one manual play with a winner on board A; at least one manual play with a winner on board B, etc.). Winning boards can be combined on manual plays or entered as individual manual plays.
- _____ c. enter plays on each board available via manual play which include white ball selections in the range of 56-59. Verify that these plays are accurately recorded on the system.
- _____ d. enter plays continuously into the system through the close of sales of one Powerball drawing and into the start of sales of the next Powerball drawing (drawing dates on tickets issued must match with system report).
- _____ e. enter computer pick plays continuously into the system through the close of sales of one Powerball drawing and into the start of sales of the next Powerball drawing (drawing dates and values on tickets issued must match with system report).
- _____ f. enter manual plays from one through the total possible number of plays permitted on a ticket.
- _____ g. enter computer pick plays from one through the total possible number of plays permitted on a ticket.
- _____ h. enter manually selected plays using advance feature if available.
- _____ i. enter manually selected plays using multi-draw feature if available.
- _____ j. import or enter manually selected plays using the subscription feature if available.
- _____ k. enter plays with the cash option selected, with the annuity option selected and with no option selected (to test the default case), if applicable.
- _____ l. enter six numbers in a game other than the Powerball game and determine that the play was not recorded in the Powerball pool, if available.
- _____ m. enter computer pick plays using the advance feature if available.
- _____ n. enter computer pick plays using the multi-draw feature if available.
- _____ o. enter computer pick plays using the subscription feature if available.
- _____ p. enter all possible system plays on a mix of tickets alone and with other plays, if available.
- _____ q. computer pick all possible system plays on a mix of tickets alone and with other plays, if available.
- _____ r. enter Powerball plays continuously into the system through the close of an on-line game other than the Powerball game, if available.
- _____ s. Attempt to enter plays for each board available via manual play with a Powerball selection greater than 39 (test 40-42 at minimum). Verify that these are not recorded as a valid play.
- _____ t. Attempt to enter plays for each board available via manual play with a white ball selection greater than 59. Verify that these are not recorded as a valid play.
- _____ u. If your system is designed to permit players to select some plays (boards) on a multi-play ticket with the Power Play option, test all possible combinations to determine that they are accurately recorded. (See Attachment A).
- _____ v. If your system uses a screen prompt to the clerk for the Power Play option, confirm that the screen prompt is present and that the choices made are accurately recorded.

STANDARD 5 - CANCELLATIONS

- _____ a. attempt to cancel Powerball plays (including plays with and without the Power Play option) using all cancel play options available on other on-line games. No cancellation should be possible.

STANDARD 6 – VALIDATIONS

The validation standards below apply to validating plays made with and without the Power Play option.

- _____ a. cash winning Powerball tickets at all prize levels for a regular drawing. Verify that all prizes have the correct payout. For all grand prizewinners, verify that the annuity/cash option selected by the player is consistent with the selection made at the time of the purchase, if applicable.
- _____ b. cash winning Powerball tickets at all prize levels for a drawing where the Match 5 Bonus feature has been enabled (from Standard 2e). Verify that all prizes have the correct payout. Note that the Match 5+0 winners should have their base \$200,000 prize multiplied by five for all drawings unless a higher limited promotional multiplier was entered into the system (prize multiplication should occur for all drawings) and that lower tier should have their prize multiplied by whatever the Power Play number was, but that the Bonus amount is not multiplied and is paid in addition to that total. Ensure that the system can handle the seven digit Match 5 prize above \$1,000,000 and the six digit Match 4+1 prize at the Power Play 10 level. For all grand prizewinners, verify that the annuity/cash option selected by the player is consistent with the selection made at the time of the purchase, if applicable.
- _____ c. cash winning Powerball tickets at all prize levels for a drawing where the Match 5 Bonus feature has been enabled, there have been no Match 5 winners, and where the bonus prize rolled down to the Match 4+1 winners is in excess of \$90,000 (from Standard 2f). Verify that all prizes have the correct payout. Note that the Match 4+1 winners should have their base \$10,000 prize multiplied (prize multiplication should occur for all drawings) by whatever the Power Play number was, but that the Bonus amount is not multiplied and is able to be paid in addition to that total. Ensure that the system can handle a six digit Match 4+1 prize above \$100,000. For all grand prizewinners, verify that the annuity/cash option selected by the player is consistent with the selection made at the time of the purchase, if applicable.
- _____ d. attempt to cash losing Powerball tickets.
- _____ e. cash multiple board winning tickets.
- _____ f. cash winning tickets from the new gaming system which were purchased on each of the boards available in the game (e.g. board A, board B, board C, etc.).
- _____ g. attempt to cash a previously-paid ticket.
- _____ h. attempt to cash a winning ticket before drawing is held.
- _____ i. attempt to cash a losing Powerball ticket after a drawing in another on-line game which matches numbers entered on the losing Powerball ticket (i.e. Powerball ticket with numbers 01-02-03-04-05-06 with other on-line game drawing numbers 01-02-03-04-05-06), if available.
- _____ j. If multi-draw tickets are available, cash a multi-draw ticket which contains at least one winner for a drawing which is completed and at least two future plays: at least one

winning and one losing play. Verify that the correct payment is made and that the future plays are handled appropriately (i.e. trailer/exchange tickets are generated, transaction logs updated). After the next drawing in which this ticket is a winner, cash the trailer/exchange ticket to verify that the ticket is paid appropriately.

- _____ k. Cash multiple board winning tickets and if some but not all boards are permitted to be marked with the Power Play option, verify that only those wins with the Power Play option receive the multiplied prize.

Unless otherwise noted, the validation standards below apply to validating plays sold under the current (old) gaming system after the new gaming system has been activated.

- _____ l. cash winning Powerball tickets at all prize levels for each of the drawings held for the game as sold on the prior gaming system. Ensure that plays with and without the Power Play option are included. Verify that all prizes have the correct payout.
- _____ m. attempt to cash losing Powerball tickets for each of the drawings from the current (old) gaming system.
- _____ n. cash multiple board winning tickets from the current (old) gaming system, including boards with and without the Power Play option, if available.
- _____ o. cash winning tickets from the current (old) gaming system which were purchased on each of the boards available in the game (e.g. board A, board B, board C, etc.).
- _____ p. attempt to cash previously-paid tickets from the current (old) gaming system in which the Power Play option was and was not selected.
- _____ q. If multi-draw plays are available (from Standard 2, Part II above), cash a multi-draw ticket from the current (old) gaming system, after the first drawing under the current gaming system but before the second drawing under it, which contains at least one winner for the first drawing and at least two future plays for the second drawing: at least one winning and one losing play. Verify that the correct payment is made and that the future plays are handled appropriately (i.e. trailer/exchange tickets are generated, transaction logs updated that accurately reflect the state of the Power Play option). Attempt to cash the exchange ticket created under the current (old) gaming system after the new gaming system is operational and verify that the ticket is paid appropriately.

STANDARD 7 - PURGE

Test this standard using tickets both with and without the Power Play option.

- _____ a. attempt to cash an outdated winning ticket in the game after a purge of outdated tickets.
- _____ b. If multi-draw plays are available, attempt to cash a multi-draw ticket in the game that contains at least one outdated winner and one valid winner (partial purge).

STANDARD 8 - SALES TERMINAL REPORTS

- _____ a. Display on screen reports if available and print all reports available at each sales terminal and determine that each report accurately records the activity at each terminal.

STANDARD 9 - SYSTEM REPORTS

- _____ a. Display and print all reports available through the on-line system through a management terminal and using automatically generated system reports which will be utilized by the Lottery or on-line vendor to determine that each report accurately records the activity at each terminal and system-wide.

STANDARD 10 - PROCESSING TIMETABLE

- _____ a. **Winners Report.** Each system must be capable of reporting the number of winners in each prize category within four hours after a drawing.

STANDARD 11 - Staffing of Acceptance Testing

Lottery personnel or a third party that meets any Lottery or MUSL requirements concerning non-disclosure of proprietary information may perform the acceptance tests. The tests and verification of all results must be observed by an employee of the Lottery, preferably a member of the Lottery IT or Security staff, if the acceptance tests are performed by a third party. Please mark whether a lottery employee or third-party conducted this test and enter their name below.

_____ Lottery employee

_____ Third-party

Name of Tester

Signature of Tester

Name of Witness (if applicable)

Signature of Witness (if applicable)

Attachment A – Example combinations

Boards played on a five board play slip				
-	-	-	-	-
A	-	-	-	-
-	B	-	-	-
-	-	C	-	-
-	-	-	D	-
-	-	-	-	E
A	B	-	-	-
A	B	-	D	E
A	-	C	-	-
A	-	-	D	-
A	-	-	-	E
A	-	C	D	E
-	B	C	-	-
-	B	-	D	-
-	B	-	-	E
-	-	C	D	-
-	-	C	-	E
-	-	-	D	E
A	B	C	-	-
A	B	-	D	-
A	B	-	-	E
A	-	C	D	-
A	-	C	-	E
A	-	-	D	E
-	B	C	D	-
-	B	C	-	E
-	B	-	D	E
-	-	C	D	E
A	B	C	D	-
A	B	C	-	E
-	B	C	D	E
A	B	C	D	E