

600 North Tenth Street
Sacramento, CA 95811
calottery.com



September 22, 2009

All Interested Parties and Prospective Bidders:

RE: Request for Proposal (RFP) 4232, Public Website Design, Development and Hosting Services

The California State Lottery (Lottery) is issuing Request for Proposal (RFP) 4232, to obtain the services of an Integrator that will provide the full range of website development, design, implementation, and web hosting services for the Lottery's public website. The Lottery intends to expand the functionality of its public website to create new user experiences through personalized content, interactive games, rewards programs, improved electronic communications and centralized access to the Lottery's public services and information. The Lottery's goal is to target its marketing and promotions to provide an exciting web site experience that motivates users to play Lottery games, increase player loyalty, and drive sales to retailers.

The RFP shall be available to download on the Lottery's web site on or soon after September 22, 2009, at www.calottery.com/vendoropportunities. To obtain a paper copy of the RFP, contact (916) 327-1321 and request RFP 4232.

This solicitation is open to all vendors who at the time of proposal response submission:

1. Have a minimum of five (5) years experience, performing similar services to those specified in Exhibit A, Scope of Services;
2. Are able to do business locally in California; and
3. Meet the requirements as set forth in Section II, Mandatory Submittals.

Please read the RFP thoroughly and complete and return all required forms to ensure your proposal is in compliance with the requirements of this RFP. Proposal responses are due no later than **3:00 p.m. PST on Monday, October 26, 2009**. **Late proposals will not be accepted.**

Requests for clarification or questions pertaining to this RFP should be directed to the undersigned at (916) 327-1321, or fax (916) 324-6713, or email to lrogers@calottery.com.

We look forward to your participation in this process.

Sincerely,

Laura Lee Rogers, Contract Administrator
Contract and Procurement Services Section



Request for Proposal

#4232

Public Website Design, Development and Hosting Services

September 22, 2009

**CALIFORNIA STATE LOTTERY
600 NORTH 10TH STREET
SACRAMENTO, CA 95811-0393**

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I. GENERAL INFORMATION

A. Purpose

The purpose of this procurement is to obtain the services of an Integrator to provide the full range of website development, design, implementation, and web hosting services for the California State Lottery (Lottery) public website. This Contract will be for three (3) years with extensions up to four (4) one-year terms under the same terms and conditions, at the sole discretion of the Lottery.

B. Background

The Lottery's existing public website at <http://www.calottery.com> contains 40-50 main pages with nearly 1,800 supporting pages, the vast majority of which (1,500-1,600) are press releases. Currently, the website provides basic information to the public. For example, site visitors have the ability to: check winning numbers; view jackpot amounts or other types of prizes; understand the odds of winning; identify which games they want to play; learn how to play specific games; and find out how contributions support their local school district.

The Lottery would like to expand the functionality and public usage of the website. The new public website will be one of the Lottery's key marketing tools. The Lottery intends to use the website to create new user experiences through personalized content, interactive games, rewards programs, improved electronic communications and centralized access to the Lottery's public services and information. The Lottery's goal is to target its marketing and promotions to provide a website experience that motivates users to play Lottery games, increase player loyalty, and drive sales to retailers.

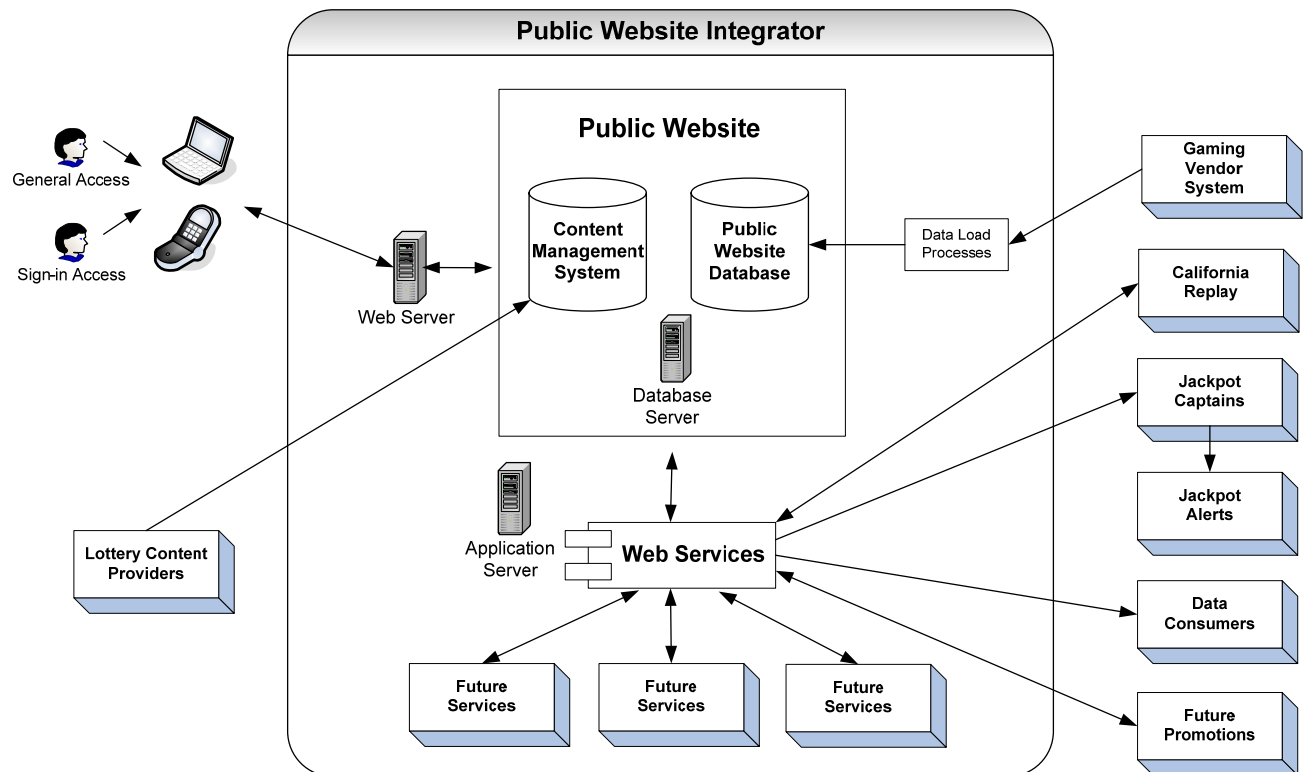
The Integrator will be responsible for designing, developing, implementing, and hosting the Lottery's new public website on the existing URL. The design must meet the Lottery's desire for a cost-effective, easy to use, interactive, and architecturally sound website that is flexible enough to support current traffic load as well as projected growth in site visitors and page views. Currently, 6-7 million website users generate 20-30 million page views each month. However, with targeted marketing and promotions, the Lottery anticipates a substantial (up to 500%) increase in the number of monthly page views on the new public website.

An important element in the design, development, and ongoing management of the site is the Content Management System (CMS). The Integrator will utilize the CMS tool to implement the website design, while Lottery staff will use it to incorporate specific content. Therefore, the CMS must be versatile enough to allow Lottery non-technical staff the ability to easily author, update, and manage content. The Lottery desires a robust CMS that provides such features as authentication of Lottery users; browser-based content authoring; content creation functions; a content repository; managed delivery of content to Web servers; capability to produce and manage multi-language content; analytics capabilities; and site personalization to push the profiled end-user to specific content as they progress through the new website.

The following *Lottery Public Website Context Diagram* illustrates the Integrator's responsibilities for implementing and hosting the new website. The Integrator will provide a single sign-in function that allows a public user to authenticate once in order to access multiple areas of content across the website. In addition, the Integrator will design, build, and host the

Public Website Database. User profile data that is provided by the public user during the registration and sign-in process and participation data that is captured during interactive games and other interactions will be captured in the database. This will allow the Lottery to track personal behavior and refine marketing and sales programs to drive increased sales volumes and revenues. The Lottery intends the database to be the system-of-record for all public user profile data. In addition, the database will capture gaming and retailer data provided from the Gaming System vendor through daily and weekly data load processes.

Lottery Public Website Context Diagram



The Integrator will provide web services for access to website areas, specific content, and data. Through this web services component, the Integrator will be responsible for integrating future services, such as third-party applications or web solutions with the new website. For each future service, the Lottery will define its requirements and then direct the Integrator to provide the future service for a mutually agreed upon cost. Future services could include, but are not limited to, a Lottery Players Club, Rewards Points, Online Bonus Draws, Non-Wager Interactive On-Line Games (e.g., video games), and On-Line Claims Processing.

In addition, through its web services component, the Integrator will be responsible for integrating with the following external third-party applications:

- California Replay, an existing third-party application gives Scratchers players an additional chance to win a prize from a non-winning ticket. The Integrator's sign-in function will allow public users to sign-in and authenticate in order to access California

Replay content.

- Jackpot Captains/Jackpot Alerts, an existing third-party application, provides players with the tools needed to start a players group. The Integrator's sign-in function will allow public users to sign-in and authenticate in order to access Jackpot Captains/Jackpot Alert content. In addition, certain jackpot and winning number data stored in the Public Website Database will be provided to the Jackpot Captain application via web services.
- Data Consumers, such as media outlets, in the future may choose, through a subscription service, to receive data stored in the database pertaining to the Lottery's draw games.
- Future Promotions, sponsored by the Lottery, may utilize the sign-in function and receive data stored in the database.

The Integrator will provide web hosting services with continuous site operation. The Lottery expects the Integrator to utilize a system architecture that incorporates server redundancy to maintain 24 x 7 x 365 site operation with an automatic fallback to a backup system in order to achieve the performance target of 99.99% uptime functional operation.

C. Bidder Qualifications

This Request for Proposal (RFP) is open to all Bidders who meet the following minimum requirements:

1. At the time of bid submission, have a minimum of five (5) years experience, performing similar services to those specified in Exhibit A, Scope of Services;
2. Are able to do business locally in California; and
3. Are able to meet the requirements as set forth in Section II, Mandatory Submittals.

D. Issuing Office and Bidder-Initiated Contact

This RFP is issued by the California State Lottery, Contract and Procurement Services Section. Issuance of this RFP does not constitute a commitment by the Lottery to award any contract. The issuing office is the sole point of contact relative to this RFP. Any and all notices pertaining to this RFP should be directed to:

California State Lottery
Contract and Procurement Services Section
Attention: Laura Lee Rogers
600 North 10th Street
Sacramento, CA 95811-0393
Phone: (916) 327-1321
FAX: (916) 324-6713
Email: lrogers@calottery.com

No contact will be allowed between Bidders and members of the Evaluation Panel, Lottery Commissioners, or Lottery staff after issuance of the RFP, with the exception of the Lottery

contact person named above. Any such contact may disqualify a Bidder from further consideration. Requests for clarification by Bidders will be allowed provided that such requests are made through the above contact.

E. Projected Timetable

The following projected timetable is set forth for informational and planning purposes. The dates may change at the Lottery's discretion.

<u>Action</u>	<u>Date</u>	<u>Time</u>
RFP Issued	September 22, 2009	
Intent to Bid Due	October 2, 2009	5:00 p.m. PST
Written Questions Due	October 2, 2009	5:00 p.m. PST
Response to Written Questions	As Necessary	
Proposal Due	October 26, 2009	3:00 p.m. PST
Announcement of Finalists	November 17-19, 2009	
Finalists' Demo Presentations	December 7-10, 2009	TBD
Identification of Apparent Successful Bidder	December 2009	
Commission Approval to Award Contract to Successful Bidder	January, 1010	
Projected Contract Effective Date	February, 2010	

F. Examination of All Requirements

Bidders should thoroughly examine this document and become fully aware of the scope of services required. Responses must be based solely on the information and materials contained in the final RFP, any amendments or other subsequent written materials issued by the Lottery, and any answers (oral or written) the Lottery provides in response to Bidders' requests for clarification. Bidders are to disregard anything else, including draft material they may have received, any newspaper advertisements or articles they may have read, and any oral representations made.

If a Bidder fails to notify the Lottery of an error in this RFP which the Bidder discovered, the Bidder submits a response at the Bidder's own risk. If awarded the contract, the Bidder will not be entitled to additional compensation or time by reason of the error or its later correction.

The Lottery in its discretion may refuse to accept a response for failure to furnish all required information or to follow the format specified in this RFP.

G. Amendments to the RFP

The Lottery may cancel or amend this RFP. Notice of amendment or cancellation will be sent to Bidders who submitted an Intent to Bid if the amendment or cancellation occurs prior to proposal submission; to Bidders who submitted a proposal if the amendment or cancellation occurs after proposal submission; and to Finalists if the amendment or cancellation occurs after Finalists have been identified. All notices, amendments, and/or cancellations will also be posted on the Lottery's website at www.calottery.com under "Vendor Opportunities."

H. Intent to Bid

Bidders must submit a written Intent to Bid (via fax, e-mail or US Mail) to the Lottery by the date and time specified in the Projected Timetable in order to receive any further communications regarding this RFP. If a written Intent to Bid is not sent, a proposal may still be submitted; however, any further notices issued by the Lottery will only be sent to Bidders that have an Intent to Bid on file. All Vendors may, however access notices and amendments issued by the Lottery regarding this solicitation on the Lottery's web site at www.calottery.com under Vendor Opportunities. After the proposal due date, notices will be sent only to those Bidders who have submitted a proposal. After Finalists have been identified, notices will only be sent to the Finalists.

I. Written Questions

Questions regarding this RFP must be submitted in writing, (via fax, e-mail or U.S. Mail) to the Lottery contact person specified in section D, Issuing Office and Bidder-Initiated Contact by the date and time specified in the Projected Timetable. All Bidders with a written Intent to Bid on file will receive a copy of all written questions and answers the Lottery addresses.

J. Bid Consideration

In consideration for being permitted to submit a proposal, the Bidder agrees that:

1. The Lottery is not liable for any costs incurred by a Bidder in preparing, submitting, or otherwise participating in a response to this RFP.
2. Its response to this RFP constitutes the Bidder's binding offer to the Lottery.
3. Its response to this RFP is irrevocable for 180 days from the date proposals are due.

K. Public Records and Confidential Portions of Bidder's Responses

All data, materials and documentation submitted by Bidder in response to this RFP may be subject to a request for review by a fellow competitor or by a member of the public pursuant to the California Public Records Act, Government Code §§ 6250 et seq. The Lottery will process such requests in accordance with the laws of the State of California. The Lottery will assert on Bidder's behalf and attempt to maintain confidentiality of any trade secrets or proprietary information or material otherwise exempt from disclosure (referred to collectively as "confidential") submitted by Bidder so long as Bidder

complies with two requirements:

1. Bidder must identify in writing the specific data or other materials that are confidential. Bidder must designate such materials as specifically as possible by page number, paragraph and sentence submitted to the Lottery during the solicitation process. All identifying markings must be conspicuous by using color, bold, underlining or some other method to distinguish the protected data or material from other text.
2. Bidder must cite the specific legal authority on which it relies in asserting that the material so designated is entitled to protection as confidential.

If data or material is improperly marked as confidential, or if Bidder designates the entire or substantially all of the response as confidential, the Lottery may, in its sole discretion, determine Bidder's response non-confidential. Under no circumstance will the Lottery be liable to the Contractor or to any other person or entity for disclosing any portion of Bidder's submissions in response to this RFP, including those portions Bidder has asserted are confidential.

L. Conditions of Submission

Responses to the RFP and any subsequent presentations should be submitted with the most favorable terms the Bidder can offer. After the Bidder submits a response to the Lottery, the response cannot be replaced, changed or modified in any way except as specified in this RFP or in response to a subsequent amendment to this RFP or a written request for clarification from the Lottery. A Bidder will be allowed to withdraw its response provided that such withdrawal is actually received by the Lottery prior to the deadline for final submission. Withdrawals must be filed in the same manner as responses. Proposal responses on file with the Lottery at the deadline for final submission are irrevocable.

M. Rejection of Responses

The Lottery reserves the right to reject any response which is conditional or incomplete, or contains any material deviations. Any provisions of this document which are identified as requirements are mandatory. In the interest of promoting competition, the Lottery may allow a Bidder to correct a deficiency related to any requirement upon the Lottery's written request. If all Bidders fail to meet a mandatory requirement, the Lottery reserves the right to continue evaluation of the proposals and select the response which most closely meets the requirements specified in this RFP.

N. Nonmaterial Deviation

The Lottery may waive any nonmaterial deviation in a proposal. The Lottery's waiver of a nonmaterial deviation does not modify the RFP requirements or excuse the proposing Bidder from full compliance with the contract's requirements.

O. Business Continuity, Reliability and Recoverability Plan

The successful Bidder must submit a written Business Continuity, Reliability and Recoverability

Plan for California State Lottery approval prior to contract execution. The plan must establish and maintain business continuity and disaster recovery standards, processes and procedures to support the Lottery web environment objective of 99.99% uptime. The plan must cover a minimum of four topic areas: (1) summarization of strategy for managing situations in case of an event or series of events that impacts the delivery of the contracted services; (2) distinct management and staff assignment of responsibilities immediately following an event and continuing through the period of re-establishment of normal operations; (3) prioritization for the recovery of critical applications; and (4) operational procedures documented in a systematic fashion that will allow recovery to be achieved in a timely and orderly way. Contract awardee will adapt the detailed content the plan to suit the needs of the Lottery. (Government Code section 11774.)

P. Contract Execution

The Lottery Director or designee will make the final determination of the contract award, subject to Commission approval. In making this determination, the Lottery Director or designee may be assisted by an Evaluation Committee.

Failure or refusal on the part of the intended awardee to begin performance within ten working days of contract execution may be treated as a repudiation of the contract at the sole discretion of the Lottery. The Lottery may then either 1) select the next ranked proposal which conforms to the requirements of this RFP and represents, in the sole discretion of the Lottery, the best value proposal that maximizes the benefits to the Lottery; or 2) reject all proposals. The Lottery reserves its right to damages associated with a repudiation of the contract.

The Lottery reserves the right to cancel any and all elements of a procurement or rescind an announced award at any time up to and including execution of the actual contract.

Q. Hiring of Lottery Personnel

At all times during the proposal evaluation period and continuing through the contract award or the rejection of all proposals, Bidders are prohibited from officially or unofficially making any employment offer or proposing any business arrangement whatsoever to any person involved in the evaluation of proposals. Any Bidder making such an offer or proposition will be disqualified from further consideration.

R. Governing Law and Regulations

The Lottery's governing law and regulations, including its Competitive Bidding Procedures, are available on the Lottery's website at www.calottery.com. It is the Bidder's responsibility to be familiar with these laws and regulations.

II. PROPOSAL REQUIREMENTS

Bidders are expected to provide the Lottery with as much information as necessary in their proposal for the Lottery to award the contract. At a minimum, proposals must be fully responsive to the specific requirements stated in this RFP. Bidders must identify any requirements of this RFP that they cannot satisfy. All responses to the RFP must comply with the requirements of this section.

A. Mandatory Submittals

Failure to submit all information listed under Mandatory Submittals may, at the discretion of the Lottery, result in the rejection of the proposal. If all Bidders fail to meet one or more of the mandatory requirements, the Lottery reserves the right to continue evaluating the proposals. Bidders must complete and submit the following attachments as detailed below:

1. Transmittal Letter
2. Attachment 1, Price Sheet
3. Attachment 2, Certification
4. Attachment 3, Guaranty
5. Attachment 4, Disabled Veteran Business Enterprise (DVBE) Participation Program

All responses and all requested documents should be structured in the same order and lettering/numbering format as shown in the following subsections. The original proposal should be marked "**Original Copy**" and have original signatures. Any IFB attachment and/or form that requires a signature must be signed in ink (preferably in a color other than black) by a person who is authorized to bind the proposing firm. The Lottery desires that all requested documents be submitted on 8½" by 11" paper, one-sided, and at least 12 point font. In addition, the proposal must be submitted on two compact discs compatible with Microsoft Office 2003 or Acrobat Reader 7.0. One compact disc is to include the entire proposal including confidential information. The second compact disc is to include the Bidders proposal minus confidential information.

1. Transmittal Letter

Bidder must submit a cover letter indicating that the Bidder is responding to the RFP and that all of the RFP requirements have been met. The letter must be signed by a representative identified in Attachment 2, Certification, as legally authorized to contractually bind the Bidder.

If the Bidder is a joint venture, the letter must be submitted with all of the information required for all of the entities comprising the joint venture. The letter must state the name of the representative who is legally authorized to contractually bind the joint venture and must be accompanied by proof of authorization from each entity (e.g., by-laws, minutes or resolution of board of directors of corporation or association, written trust instrument, partnership agreement, etc.).

Under no circumstances may a Bidder submitting or considering the submittal of a proposal consult with a competitor Bidder.

Bidder must also disclose any potential, actual or apparent conflicts of interest that may arise between any current client and the Lottery. Because of the complexities involved in defining conflicts of interest, please identify any potential conflicts and the Lottery will make a final determination as to whether a disqualifying conflict exists. **Note: If there are no known conflicts, provide a statement to this effect.**

2. Price Sheet (Attachment 1)

Price Sheet, Attachment 1, must be completed by the Bidder at the time of proposal submission and included in its proposal package. The costs provided on the Price Sheet are inclusive of the Bidder's costs for website development, design, implementation, and web hosting services for the three-year period of any contract resulting from this RFP. If, at the sole discretion of the Lottery, any one-year extensions originate after the initial three-year contract period, the Lottery, and the Contractor may amend Attachment 1, Price Sheet, for each extension by mutual written consent. **NOTE: Any changes made to the Price Sheet form, including but not limited to exceptions, deletions, and additions, may be the basis for disqualification of the Bidder's proposal.**

3. Certification (Attachment 2)

Certification, Attachment 2, must be completed by the Bidder at the time of proposal submission and included in its proposal package.

4. Guaranty (Attachment 3)

Guaranty, Attachment 3, must be completed by the Bidder at the time of proposal submission and included in its proposal package.

5. Disabled Veteran Business Enterprise (DVBE) Participation (Attachment 4)

Bidders are required to complete and submit forms contained in Attachment 4, Disabled Veteran Business Enterprise Participation. The Good Faith Effort steps must be submitted in a narrative format, addressing whether any DVBE participation was achieved through this effort.

<i>Evaluation Criteria for Mandatory Submittals: Pass/Fail</i>

B. Rated Submittals

Proposals submitted in response to this RFP will be rated in comparison with other submitted proposals and will be rated using the criteria set forth in Section III, Proposal Evaluation Process.

1. Bidder's Information

In this section of the proposal, the Bidder should demonstrate how the company's experience and resources make it best suited to provide services to the Lottery.

a. Bidder's Background and Experience

The Bidder must provide a general overview of the company, including but not limited to office location(s), key positions and contact information, number of employees, and the number of years in business.

The Bidder must provide a comprehensive description of its experience providing website design, development, implementation, and web hosting services.

- i. Describe experience in large-scale website design, development and implementation. This includes specific experience related to graphic design, site usability, content development, animated creative content, and source code configuration management for enterprise-scale applications. Include at least three (3) website addresses.
- ii. Describe experience integrating third-party applications or third-party web solutions with website content.
- iii. Describe experience in developing web-based solutions connected to a relational database.
- iv. Describe experience in designing, developing and maintaining complex relational databases.
- v. Describe experience in designing, developing and maintaining web services.
- vi. Describe experience hosting major commercial and/or governmental public websites. This includes specific experience and expertise hosting high traffic, high availability public websites in a secure Internet data center including networking, security, systems administration, web administration, database administration, web services, and application server administration
- vii. Describe experience and expertise providing 24 x 7 x 365 web hosting services.

b. Project Staffing

The Bidder must provide a staffing plan that describes each staff member's role and responsibilities.

- i. The staffing plan must include an organizational chart indicating reporting relationships, physical location of staff assigned (identifying which staff will work onsite at the Lottery during design and what percentage of time they will be onsite), and percentage of time each is designated to the Lottery account.
- ii. The staffing plan should include an Account Liaison who will become familiar with the Lottery's day-to-day business and who will serve as the primary point of contact to the Lottery.
- iii. Once the project starts, if the Bidder wants to change any staff member identified in their proposal, the Bidder must make the request in writing; Lottery will review the request to determine whether they accept or reject the staffing change.

c. Experience of Personnel

The Bidder must provide resumes for each individual identified in the organizational chart which clearly demonstrates how the person's expertise addresses the needs specified in this RFP.

- i. Staff to be assigned to the Lottery Account must be listed on Attachment 6, Project Team and the form is to be included in Bidder's proposal response. (Form can be duplicated electronically but must use the same format).
- ii. A resume for each staff member assigned to the project must be submitted on Attachment 7, Resume Form, and included in Bidder's proposal response. (Form can be duplicated electronically but must use the same format).

The Bidder is encouraged to explain why any particular staff is the best for the Lottery. In addition to the listed positions and the desired level of experience, the Bidder may present other information relating to personnel that it thinks is important. Since the Lottery will be comparing the relative staff quality offered by the various Bidders, it is advantageous to identify as many staff as possible and explain why each is the best for the position. Less consideration shall be given when positions are proposed to be filled by "To be Determined".

d. References

The Bidder must provide a minimum of three verifiable references that include contact person, name of company, phone, fax number and email address, if available. Bidders' references shall include references for which the Bidder has provided web design, development, implementation, web hosting, and related services with the same or similar specifications and requirements specified within Exhibit A, Scope of Services, within the last three (3) years. The Lottery may, at its discretion, contact the references provided.

The Bidder must provide a description of all relevant contracts the Bidder and any subcontractors have had and all experience similar to this contract which qualifies the Bidder to meet the requirements of this contract, including but not limited to:

- i. Size of contract.
- ii. Reason for contract termination/expiration, if contract is no longer in effect.
- iii. Types of services directly provided by the Bidder and whether the Bidder was the prime or subcontractor.
- iv. Term and type of contract, including effective dates.
- v. Any significant problems encountered and how the problems were overcome.

e. Financial Stability

Bidders must provide financial statements for the past three years.

Evaluation Criteria for Bidder's Information

- *Bidder and proposed staff's demonstrated experience in successfully completing work of a similar size and scope.*
- *Breadth and depth of bidder and proposed staff's experience in designing, developing, and implementing large-scale websites.*
- *Bidder and proposed staff's demonstrated experience designing, developing, and implementing complex relational databases.*
- *Bidder and proposed staff's demonstrated experience designing, developing, and implementing web services.*
- *Bidder and proposed staff's demonstrated experience integrating third-party applications or web solutions into website content.*
- *Bidder and proposed staff's demonstrated experience providing large-scale web hosting services with continuous site operation.*
- *Appropriateness of staffing plan and organizational structure, as they pertain to this solicitation.*
- *Resumes of proposed staff demonstrate the competence and professional qualifications necessary for successful completion of work as stated in the Scope of Services.*
- *Responses of the client references.*
- *Demonstrated financial stability.*

2. Proposed Technical Solution

a. Technical Architecture

The Bidder must describe the technical solution for the web hosting environment in detail including the hardware and software technical architecture design which clearly details all hardware components, operating system platforms, hosted software application versions/editions, Content Management System, database and integration points with a detailed explanation of how capacity, performance, availability, reliability and recoverability requirements specified in this RFP will be achieved. Technical architecture solutions shall clearly disclose any intended use of, or integration with, open source and/or commercial off-the-shelf application software components and/or products.

- i. Describe how the technical solution meets the capacity and performance

requirements set forth in the RFP.

- ii. Describe how the solution ensures dynamic scalability to accommodate peak traffic demand based on website usage.
- iii. Describe how the solution will accommodate future growth in users and page views.
- iv. Describe the capabilities of the proposed solution to integrate with third-party applications or web solutions.
- v. Describe how communications will be secured to prevent unauthorized access to, alteration of, or destruction/deletion of sensitive business information.
- vi. Describe the controlled testing environment used to benchmark and test high-speed access and processing speeds on mobile and stationary devices.
- vii. Describe how the technical solution ensures 24 x 7 x 365 operation and 99.99% uptime operational functionality.
- viii. Describe how the technical solution incorporates server redundancy and automatic fallback to a backup system in the event of a service disruption or maintenance event.

b. Tools and Applications

Bidders must specify the tools and applications that will be used to support the Lottery PWS environment, including the specific annual product upgrade services provided. These tools should include, but are not limited to the following types of products:

- i. Web Server software
- ii. Content Management System
- iii. Tools used to secure and authenticate public user information
- iv. Relational database
- v. Software used to develop and implement web services
- vi. Web Traffic Reporting application
- vii. Programming languages including scripting
- viii. Website security products, such as firewall, virus, intrusion and change detection

- ix. All other software necessary for PWS development, testing and production

c. Content Management System

Describe the specific features of the Content Management System and how the tool meets the requirements specified in the RFP. In describing the strengths of the tool, also point out its weaknesses.

Evaluation Criteria for Technical Solution:

- *Extent the technical solution meets or exceeds the capacity and performance requirements specified in Exhibit A, Scope of Services, including dynamic scalability and the capacity for future growth.*
- *Technical solution provides 24 x 7 x 365 continuous site operation with appropriate server redundancy and automatic fallback systems.*
- *Extent the proposed tools and applications support the Lottery's requirements.*
- *Robustness of the Content Management System.*
- *Extent the Content Management System allows Lottery staff to easily incorporate, update, and manage content.*

3. Proposed Design, Development and Implementation Approach

a. Overall Project Approach

The Bidder must describe the overall project approach including both the Bidder's responsibilities for specific tasks and the Lottery's responsibilities for input, review, and approvals.

- i. Describe the approach for developing design recommendations and preparing design specifications that meet the Lottery's objectives.
- ii. Describe the proposed software development methodology, including testing procedures for the Content Management System and the Public Website Database.
- iii. Describe the localization process for providing a Spanish language version of the Lottery's new public website.
- iv. Describe the approach for developing Content Management System documentation and conducting training for Lottery staff.
- v. Describe the approach for transition services, if requested by Lottery, to migrate certain content and data onto the Integrator's hosted environment.
- vi. Identify and describe the deliverables (documents) that will be produced as part

of the Design, Development, and Implementation. Also describe the Bidder's expectations for how Lottery staff will be involved in the review and approval of these deliverables, including review timeframes.

b. Support and Maintenance

The Bidder must describe how it will provide support and maintenance services.

- i. Describe the process and procedures to maintain and fix all design, programming or deployment issues.
- ii. Describe the server maintenance and patch management process.
- iii. Describe the Bidder's recommendations for the website content change control process that Lottery users should follow.
- iv. Describe the change control process for changes to custom software, source code, and database structure.
- v. Describe how on-going support for the Content Management System, Public Website Database, web services, notification and data feed and other administrative tools will be provided.
- vi. Describe how source code, scripts, utilities for building applications and web services, supporting documentation and diagrams will be provided to the Lottery.

c. Monitoring and Reporting

The Bidder must describe the security standards, procedures, and controls for protecting the confidentiality, the integrity, and the availability of the information, equipment, and services of the Lottery web environment.

The Bidder must describe its processes and procedures for identifying and notifying the Lottery of any network or server outage or any type of disruption which impacts the technical solution; or any other occurrence that results in a failure of the functionality or inaccessibility of any area of the website.

The Bidder must describe its procedures and methods for meeting the reporting requirements as specified in Exhibit A, Scope of Services.

d. Business Continuity, Reliability and Recoverability

The Bidder must describe the business continuity, reliability and recoverability standards, processes and procedures to support the requirements specified in Exhibit A, Scope of Services and as stated in Section I, General Information, O. Business Continuity, Reliability and Recoverability Plan.

The Bidder must describe its processes and procedures for performing backups of the Lottery data and environment for restorative and recovery purposes.

e. Other Associated Services

The Bidder may offer other associated services not identified in this RFP. This is an opportunity for Bidders to offer options the Lottery may not have been aware of at the time this RFP was written. Bidders should describe in detail any other service(s) proposed to be provided to the Lottery that are not specifically addressed in this RFP. The Bidder must specify how those services would assist the Lottery in achieving its objectives as outlined in this RFP.

Evaluation Criteria for Design, Development and Implementation Approach

- *Extent to which the design, development, and implementation approach meets or exceeds the requirements specified in Exhibit A, Scope of Services.*
- *Appropriateness of deliverables identified including the review and approval process.*
- *Comprehensiveness of support and maintenance services.*
- *Comprehensiveness of security procedures, controls, and monitoring.*
- *Extent that business continuity, reliability and recoverability standards, processes and procedures support the requirements specified in Exhibit A, Scope of Services.*
- *Comprehensiveness of backup processes and procedures for restoring and recovering Lottery data and the web environment.*
- *Degree of creativity and appropriateness of other associated services offered by the Bidder.*

4. Proposed Management Approach

Describe the project management approach and include a project management plan. The project management plan will include all tasks and deliverables required to provide the services described in Exhibit A, Scope of Services, for all phases of the project and a tentative schedule. The plan should identify the Bidder's staff that will lead and participate in the tasks. The plan should be as realistic as possible since it may become part of the contractual agreement.

Evaluation Criteria for Project Management Approach

- *Appropriateness and comprehensiveness of project management approach.*
- *Appropriateness of project management plan and tentative schedule.*

5. Price Sheet

The Bidder must complete and submit Attachment 1, Price Sheet, in its proposal for the services identified in Exhibit A, Scope of Services. Any changes made to the Price Sheet format, including but not limited to exceptions, deletions, conditions, and additions may be the basis for rejecting the proposal.

The Lottery intends to select the proposal which provides the best value to the Lottery. A proposal meeting the requirements of the RFP with the lowest price may not be selected if award to a higher priced proposal, in the judgment of the Lottery, maximizes greater overall benefits to the Lottery. The Lottery may elect to pay a higher price to select a proposal that overall is exceptional and reasonably priced.

The Lottery will assess each component in the bidder's price sheet in relation to the services the bidder offers. A bidder that exceeds the requirements by providing more services or higher quality services for a reasonable price will receive the highest consideration.

Evaluation Criteria for Price Sheet

- *Value to the Lottery of each cost component in relation to the services offered.*
- *Hourly billing rates for the assigned staff, including any subcontractors*

C. Finalists' Submittals and Competition

Proposals submitted in response to this RFP will be rated in comparison with other submitted proposals and will be rated using the criteria set forth in Section III, Proposal Evaluation Process. Finalists will be required to submit Attachment 8, the Confidential Contractor Disclosure.

Finalists will be required to disclose certain information pursuant to California Government Code section 8880.57. Any Individual or entity in a Bidder's organizational chain and any of the Bidder's subcontractors may also be required to disclose similar information. The Lottery may refuse to enter into a contract based on the results of these disclosures, as provided in California Government Code sections 8880.57.

In order to ensure integrity, security, and honesty in its operation, the Lottery will conduct a thorough background check of the Finalists. This may include fingerprinting and review of financial information. The Lottery may disqualify any Finalist if its related entities or their directors, officers, employees, or owners refuse to participate. The successful Bidder will be required to notify the Lottery of the identity of potential subcontractors and may be required to periodically update other disclosure requirements during the term of the Contract.

D. Finalist's Demonstrations

Only those Bidders identified as Finalists will be required to present an oral presentation and demonstration. The Finalists' proposed key project staff must attend and participate in the presentation and demonstration. Any preparation done by the Finalist for the oral presentation and demonstration will be at the Finalist's own time and expense.

Oral presentations and demonstrations will be scheduled at the Lottery's Headquarters office. The presentation may be a maximum of two (2) hours in length. The presentation should begin with a brief (no longer than 10 minutes) description and background of the Finalist and any proposed subcontractors. The Finalist will be given the balance of the presentation to demonstrate its understanding of the Lottery's needs and how its approach provides value to the Lottery.

1. Demonstrate other websites the Finalist has developed and provide the total cost for each development. Describe the unique features, how the Finalist designed and developed the site, and whether the website is integrated with third-party applications or web solutions. In addition, demonstrate the user experience and the logic behind it.
2. Demonstrate the features of the proposed Content Management System. Show how content is authored, the workflow features, and other important features of the tool. Explain the strengths and weaknesses of the tool and why the Finalist chose the particular tool to address the Lottery's needs.
3. Provide a sample design of the Lottery's homepage.
4. Provide a sample of reports typically provided to clients.
5. Provide any other information the Finalist believes best profiles their capabilities to provide website design, development, implementation, and hosting services to the Lottery.

Evaluation Criteria for Vendor Demonstrations

- *Attendance and participation of key project staff.*
- *Demonstrated ability to implement an interactive and user friendly website.*
- *Demonstrated ability to integrate website with third-party applications or web solutions.*
- *Demonstrated creativity in website design (prior projects and/or sample Lottery design).*
- *Extent the demonstrated features of the Content Management System meet or exceed the requirements specified in Exhibit A, Scope of Services.*
- *Persuasive demonstration that articulates why the Finalist provides the best value to the Lottery and should be selected as the Lottery's Public Website Integrator.*

III. PROPOSAL EVALUATION PROCESS

A. Ratings

All proposals and all portions not identified as Pass/Fail will be assessed using the Rating Chart on the following page in accordance with the provisions stated in this RFP. All Bidders receiving a rating of “Superior” in the Rated Submittals evaluation will be advanced to the Finalists Competition. Bidders receiving a minimum score of **“Meets” or higher** in the Rated Submittals Evaluation may, at the sole discretion of the Lottery, be advanced to the Finalist Competition. The evaluation of the proposals proceeds as follows:

1. Mandatory Submittals Evaluation (Pass/Fail):

- a. Transmittal Letter
- b. Price Sheet (Attachment 1)
- c. Certification (Attachment 2)
- d. Guaranty (Attachment 3)
- e. Disabled Veteran Business Enterprise (DVBE) Participation (Attachment 4)

Only Bidders that pass the Mandatory Submittals Evaluation will be advanced to the next phase, Evaluation Phase I Rated Submittals.

2. Phase I Evaluation: Rated Submittals

- a. Bidder's Information
- b. Proposed Technical Solution
- c. Proposed Design, Development and Implementation Approach
- d. Proposed Management Approach
- e. Price Sheet

For the purposes of evaluation, the Bidder's Information, the Proposed Technical Solution, and the Proposed Design, Development and Implementation Approach are equally important. These three sections combined are significantly more important than the remaining two sections. Of the remaining two sections, the Price Sheet is somewhat more important than the Proposed Management Approach. The specific criteria used in evaluating each of the individual five sections are provided in the Rated Submittals portion of the RFP in a grey box.

Rating	Definition
Superior	Proposal exceptionally exceeds performance or capability requirements; proposal demonstrates extraordinary strengths that will more than significantly benefit the Lottery.
Significantly Exceeds	Proposal significantly exceeds performance or capability requirements; proposal demonstrates exceptional strengths that will significantly benefit the Lottery.
Exceeds	Proposal exceeds performance or capability requirements; proposal has one or more strengths that will benefit the Lottery.
Meets	Meets specified minimum performance or capability requirements necessary for acceptable contract performance.
Meets with Exceptions	Proposal demonstrates weak performance or capability standards necessary for minimum contract performance; proposal has one or more weaknesses that offset any strengths.
Does Not Meet	Fails to meet specified minimum performance or capability requirements. Proposals with an unacceptable rating are not awardable.

a. Small and Microbusiness Participation (Optional for Bidders)

Based upon the nature of the goods and services to be utilized under this solicitation (as outlined in Exhibit A, Scope of Services), the Lottery has set a Small and Microbusiness Participation goal of 25%, for utilization of small or microbusinesses as subcontractors under the contract resulting from this solicitation. This is optional and Bidders may choose whether or not they will participate. Bidders must submit Attachment 5, Small and Microbusiness Participation, if they choose to participate.

For purposes of applying the preference, the Lottery's proposal evaluation team will calculate an estimated overall budget for the three-year contract period based on the Bidder's Price Sheet submission, excluding costs for all optional services. The preferences noted below may not exceed fifty thousand dollars (\$50,000) for any bid. The 5% preference is used for computation purposes only and will not alter the amounts of the actual Price Sheet.

For bid evaluation purposes, where there is at least one non-small business Bidder subcontracting at least 25% of its bid amount to one or more small businesses, the Lottery will calculate the preference by computing an amount not to exceed 5% from the lowest, responsible bid of a non-small business Bidder that is not a small business, or that is not subcontracting to a small business. The preference amount will be deducted from the bids of the non-small business Bidder's subcontracting at least 25% of their bid amounts to small businesses.

For bid evaluation purposes, where there is at least one small business Bidder, the Lottery will calculate the preference by computing an amount not to exceed 5% from the lowest, responsible bid of a non-small business Bidder that is not a small business. The preference amount will be deducted from the small business' bid amount.

During the contract term, the contractor's SBP compliance will be calculated based on the contractor's completed work as verified by an audit of contractor's invoices and contractor's payments to designated subcontractors.

3. Phase II Evaluation: Rated Finalist Demonstrations

Each finalist's demonstration will be assessed on the evaluation criteria specified in Section II D., Finalists' Demonstrations and shall be rated by comparison to other finalists' demonstrations. The relative importance of the Rated Finalist Demonstrations is equal to the overall evaluation of the Rated Submittals.

The Finalist that provides the best value to the Lottery will be deemed the apparent successful bidder, subject to approval by the Lottery Director and the Lottery Commission. A proposal meeting the requirements of the RFP but with the lowest cost proposal may not be selected if an award to a higher proposal, in the judgment of the Lottery, maximizes greater overall benefits to the Lottery. The Lottery may elect to pay a fair and reasonable rate to select a proposal that overall is superior.

The Lottery may indicate to, or discuss with, the apparent successful bidder any deficiencies or other aspects of its proposal such as price, technical approach, and terms that could, in the opinion of the Lottery, be altered or explained to enhance materially the apparent successful bidder's proposal. The scope and extent of discussions are a matter solely within the Lottery's judgment. If the Lottery and the apparent successful bidder cannot come to agreement on these alterations, the Lottery, at its sole discretion, may elect to hold discussions with the other finalists. If conducted, discussions will be undertaken with the intent of allowing each finalist the opportunity to revise its proposal only in those specific areas identified by the Lottery during discussions.

IV. Proposal Packaging and Delivery

All proposals must be received no later than **Monday, October 26, 2009 3:00 p.m. PST.** Fax or electronic transmissions will not be accepted. Mail or deliver all proposals to:

California State Lottery
Contract and Procurement Services Section
600 North 10th Street
Sacramento, CA 95811-0393

Attention: Laura Lee Rogers
Response to RFP #4232
DO NOT OPEN IN MAILROOM

Postmark date will not constitute timely delivery. Proposals received after the above date and

time will not be considered. Bidders are solely responsible for ensuring timely receipt of their responses.

The original proposal should be marked "**Original Copy**" and have original signatures. Any IFB attachment and/or form that requires a signature must be signed in ink (preferably in a color other than black) by a person who is authorized to bind the proposing firm. The Lottery desires that all requested documents be submitted on 8½" by 11" paper, one-sided, and at least 12 point font. In addition, the proposal must be submitted on two compact discs compatible with Microsoft Office 2003 or Acrobat Reader 7.0. One compact disc is to include the entire proposal including confidential information. The second compact disc is to include the Bidders proposal minus confidential information.

Responses must be submitted in a sealed package(s) addressed as above and clearly identifying the Bidder making the submission. Within the sealed package(s), the Bidder must include two separately labeled and sealed packages:

- The first package must contain one original and five copies of all information required by the RFP in the format described in Section II. Proposal Requirements. This package must not contain any confidential information. It must identify where in the proposal confidential information is to be inserted and cross-reference any such confidential information in the second package.
- The second package must contain one original and five copies of any cross-referenced information the proposing Bidder has identified as confidential as required in Section I. General Information, K, Public Records and Confidential Portions of Bidder's Response.

NOTE: Only FINALISTS, upon selection, will be required to submit the Confidential General Contractor Disclosure (Attachment 8).

Exhibit A

SCOPE OF SERVICES

1. Lottery Public Website Design, Development and Implementation

- a. The Integrator shall design the PWS in a manner that meets the Lottery's objective of a cost-effective, easy to use, interactive, and architecturally sound website that is flexible enough to support current traffic load as well as projected growth in site visitors and page views.
 - i. The Integrator shall make design recommendations and prepare design specifications that meet the Lottery's objective.
 1. The website design must adhere to the California State Lottery Brand Guide which can be found at brandguide.calottery.com.
 2. Per the Americans with Disabilities Act, the Lottery must provide the same level of service to individuals with visual, hearing, motor, or cognitive disabilities that is provided to the general public. Therefore, the Integrator must submit design specifications that address compliance with Section 508 requirements and must seek the Lottery's approval on specific design elements in which compliance cannot be achieved.
 3. The website design must be compatible with common versions of mobile and handheld devices such as PDAs, Blackberries, iPhones, and cellular phones.
 4. The website design must be compatible with common web browsers.
 5. The website design must incorporate the following features:
 - a. Site search function that allows public users to search for specific content within the entire page structure.
 - b. Graphical mapping that provides graphical representation of public user selected site locations, such as Lottery District Offices, Retailers, and Contribution to Counties/School Districts.
 - c. Support for video-on-demand by embedding externally hosted videos on website pages.
 - d. Links to live video streams such as the Lottery draws and the Lottery Commission meetings.
 - ii. The Integrator shall recommend, for the Lottery's approval, an information architecture that improves the presentation and organization of information. The current Lottery website contains 40-50 main pages with nearly 1,800 supporting pages, the vast majority (1,500-1,600) of which is press releases. The Lottery

would like to retire older and out-of-date content as well as incorporate new content. Lottery staff will be responsible for developing and adding new content to the PWS.

- iii. The Integrator must submit design specifications and design mockups with graphical elements and layout text content for the Lottery's review, revision, and approval. The Lottery expects this to be an iterative process.
 - iv. Upon the Lottery's approval of design specifications and design mockups, the Integrator will develop the website. Specific tasks will include, but are not limited to, developing web page templates and user interface components, and programming dynamic web content.
- b. The Integrator must provide the following website capabilities:
- i. Ensure the website only contains advertising authorized by the Lottery.
 - ii. Provide the ability to submit the website to search engines.
 - iii. Provide canonical non-'www.' domain capability.
 - iv. Provide customizable error pages.
- c. The Integrator must provide a Spanish language version of the website in the initial website design which may be a subset of the English version. Proposers should examine the current Spanish version of the website at <http://www.calottery.com/es/default.htm> for an indication of the expected functionality.
- i. To accommodate this functionality, the Content Management System must support multi-language localization.
 - ii. The Integrator must provide recommendations that promote an efficient and cost-effective localization process.
 - iii. The Lottery would like to compare the cost of a subset Spanish website versus a fully functional Spanish website. Therefore, the proposer must present both options in its cost proposal. Upon contract award, the Lottery will negotiate the degree of Spanish language functionality that will be developed with the contract awardee.
 - iv. As an optional task, the proposer may bid to perform on-going Spanish localization services.
- d. The Integrator must utilize a robust Content Management System to configure the PWS to the design specifications and design mockups approved by the Lottery.
- i. The Integrator must use a Content Management System that best meets the Lottery's needs as described in this RFP. The tool must provide the ability for Lottery staff to easily update and manage content. The Lottery is interested in the following features:

1. Authentication of Lottery users (authors, editors, and reviewers) and assignment of permissions
 2. Browser-based content authoring
 3. Content creation functions, such as templating, workflow and change management
 4. A content repository with basic library services, such as check-in/check-out and versioning
 5. Managed delivery of content to Web servers including scheduled publishing of specific content
 6. Capabilities to manage and produce multi-language content
 7. Analytics capabilities
 8. Geo-location tracking
 9. Site personalization to push the profiled public user to specific content as they progress through the site
- ii. The Lottery would like authorized Lottery non-technical staff to author and manage content and document workflow procedures. A few key Lottery staff should have a more comprehensive ability to provide quality control and the ability to update non-routine information. The Lottery would like the Integrator to recommend a content management process and is open to ideas on how best to accomplish this aspect of website development and ongoing content management.
 - iii. The Integrator must provide a detailed and intuitive Lottery user's manual with step-by-step instruction on how to use the Content Management System.
 - iv. The Integrator shall conduct on-site user training, utilizing a train-the-trainer methodology, for a core team of 12 Lottery users.
 - v. The Content Management System configuration should include 50 accounts for workflow processes with flexibility for growth in the number of users.
- e. At the Lottery's request, the Integrator may be asked to provide transition services necessary to migrate certain content and data (e.g., press releases) from the existing web environment onto the Integrator's hosted environment, at a mutually agreed upon cost.
 - f. The Integrator shall meet the following testing requirements prior to publishing content on the production environment.
 - i. Draft, submit for approval and implement a website functionality load/stress and browser compatibility test plan that meets user acceptance and the capacity and performance

requirements set forth in this RFP.

- ii. Testing should include automated link testing, site functionality testing (on-line forms, search features, etc.) and demonstrate Integrator's ability to meet capacity and performance requirements set forth in this RFP.
 - iii. Test case scenarios must be established to test servers and website response times at varied loads/stress, to test website display in various environments (e.g., Windows XP, Windows Vista, Mac OS, Linux) at typical screen resolutions and aspect ratios.
 - iv. Documentation indicating successful results must be submitted to the Lottery Contract Administrator.
- g. The Integrator shall proactively work with the Lottery to provide expertise and suggestions for proper site promotion utilizing keyword indexing, site registration with major search engines, meta tag use, and other methods of driving traffic to the site.
- h. The Lottery may choose to utilize a third-party Technology Oversight vendor to ensure that all design and development work to architect, build and launch the website is performed using industry best practices and using industry standard tools and technologies.

2. Lottery Public Website General Requirements

- a. The Integrator shall provide web hosting services with continuous site operation.
 - i. The Integrator is responsible for guaranteeing site availability, hardware capacity, and all performance levels specified in this RFP.
 - ii. The Integrator must maintain 99.99% uptime functional operation of the web hosting environment. The hosting environment must be functionally operational while the Integrator performs maintenance or patch management.
 - iii. The Integrator shall utilize a system architecture that incorporates server redundancy to maintain 24 x 7 x 365 site operation with automatic fallback to a backup system.
- b. The Integrator shall establish and maintain secure production and testing environments with sufficient capacity to meet usage demand.
 - i. The production environment shall support 20 MBPS bandwidth demand to accommodate normal traffic load of 10 page views per second. On evening lottery drawings, traffic increases to 75 page views per second requiring 40 MBPS bandwidth. Occasionally, when Lottery prize jackpots grow to an extremely large amount (e.g., over \$150,000,000), the traffic load increases substantially in which case the bandwidth demand can peak at more than 600 MBPS. Therefore, the production environment must provide dynamic scalability to accommodate peak traffic demand based on usage.
 - ii. Currently, 6-7 million website users generate 20-30 million page views each

month. The Lottery expects the redesigned website to generate an increase in the number of users and corresponding page views. The production environment must have the ability to accommodate a projected 500% increase in the number of page views.

- iii. The Integrator shall establish and maintain a secure web testing environment with sufficient bandwidth to support 12 concurrent Lottery users to test new software components or changes to software components prior to release on the production environment.
- c. The Integrator shall design, build and host the PWS database.
- i. The PWS database will support data collection and data exchange from various sources.
 - 1. The Integrator's solution must capture all player profile data provided by public users and share the player profile data with all PWS components (including existing applications provided by third-party vendors, and future applications and web solutions provided by the Integrator) to minimize the risk of data redundancy and inaccuracy. The Lottery intends the PWS database to be the system-of-record for all player profile data.
 - 2. The Integrator's solution must capture gaming and retailer data provided from the Gaming System vendor. This includes 516 fields of data. Some data is updated twice a day, but the majority of transactions are updated on a weekly basis. Information on the number of files, types of data, number of transactions, and frequency of downloads can be found in the *Gaming System Vendor Interface Summary* in Exhibit E of this RFP.
 - a. The existing data structure, transfer method and repository solutions were developed and are supported by older technologies. During the design phase of the project, the Integrator will develop requirements for the appropriate PWS data structure and database design and for improving data load processing with the Gaming System vendor. This includes assessing the possibility for reducing the number of variables to eliminate redundancy.
 - 3. In the future, Data Consumers, such as media outlets, may receive data pertaining to the Lottery's draw games. The Data Consumer may choose which data to receive through a subscription service. Types of data could include winning numbers, jackpot amounts, top prizes available, end of game, etc.
 - a. The Integrator's solution shall allow the ability for Data Consumers to retrieve data that is stored in the PWS database via web services.
 - 4. The Integrator's solution must capture data and exchange data with future applications or web solutions that, at the Lottery's request and direction, are provided by the Integrator and incorporated into the PWS.

- a. The Integrator's solution must provide a PWS database that is adaptable and extendable to allow additional data to be captured as part of the future extensions to PWS.
 - b. The Integrator's solution must provide the ability to capture and exchange player's personal information, player's participation, and gaming data with future applications or web solutions in a secure manner. The PWS may contain data items (e.g., SSN) that must be stored in an encrypted format.
- d. The Integrator must provide web services for access to site areas, specific content, and data.
 - i. The Integrator must provide a single authentication and authorization function that allows single sign-in capabilities and common session management.
 - 1. The Integrator must provide a sign-in function that allows a public user to authenticate once in order to access multiple areas of content across the website (including existing third-party applications and future applications or web solutions).
 - 2. Player profile information must be migrated from the current repository of public user information for the California Replay and Jackpot Captain/Jackpot Alert programs to the Integrator's solution.
 - a. California Replay, an existing third-party application, gives Scratchers players an additional chance to win a prize from a non-winning ticket for a specific game. Players enter the ticket number from their non-winning Scratchers ticket for select games in order to be placed into a drawing to win additional prizes. The Lottery contracts with a third-party vendor to run the California Replay program. Currently, approximately 28,000 users enter their ticket information on a daily basis. This is a new program, implemented in May 2009, and the number of users has been increasing by approximately 5% each day.
 - i. The Integrator's solution must integrate the California Replay application with the PWS. The solution must allow the public user to sign-in and authenticate once in order to access California Replay content.
 - b. The Jackpot Captain/Jackpot Alerts, an existing third-party application, provides players with the tools needed to start a players group or pool. Players register to receive SuperLOTTO Plus and/or MegaMillions winning numbers messages and can indicate the jackpot threshold when messages will be sent. The application also displays the estimated jackpot amounts for the next Lottery draw. The Lottery contracts with a third-party vendor to run the Jackpot Captain/Jackpot Alert program.

- i. The Integrator's solution must integrate the Jackpot Captain/Jackpot Alerts application with the PWS. The solution must allow the user to authenticate once in order to access Jackpot Captain/Jackpot Alert content.
 - ii. The Integrator's solution must provide the ability to send data stored in the PWS database (SuperLOTTO Plus and MegaMillions next draw jackpot estimates, winning numbers from the most recent draw, and jackpot amounts from the most recent draw) to the Jackpot Captain application via web services.
 - 3. The Integrator must provide web services to support future third-party applications developed and implemented by other third-party vendors that the Lottery manages.
 - ii. Public user profile and participation data will be captured in the PWS database. This will allow the Lottery to track personal behavior and refine marketing and sales programs to drive increased sales volumes and revenues.
 - iii. Public user profile data will be accessible by PWS components, including existing third-party applications and future applications or web solutions, in a secure manner (i.e., there must be authentication between the application or web solution and the web service which accesses user profile data)
 - iv. The Integrator's solution must allow the design, development, and implementation of additional web services to support the growth in PWS functionality and data.
- e. At the Lottery's direction, the Integrator shall provide future applications and web solutions.
- i. For each application/web solution, the Lottery will define its requirements and then direct the Integrator to provide the service for a mutually agreed upon cost. The Integrator may retain a subcontractor that demonstrates the necessary competency for meeting those requirements.
 - ii. The Integrator will be responsible for ensuring that all subcontractors adhere to the security, performance, reporting, support and maintenance, and business continuity, reliability and recoverability requirements specified in this RFP.
 - iii. The following future functionality is supplied here for information purposes only to give proposers a possible indication of the Lottery's future needs. Bidders should not submit the cost of these future services in their cost proposal. Examples of the Lottery's desired future functionality include the following:
 - 1. Lottery Players Clubs are used to provide a community for Lottery players. Membership gives the player exclusive benefits and opportunities. In addition, the Lottery has the opportunity to interact with the public user and gain valuable feedback and data (which would be stored in the PWS

database), both directly and passively, from the player community. A web solution may encompass: special promotional offers; free play; Lottery news; Jackpot Alerts; and advance notice of games.

2. Reward points would allow users to redeem points earned from Lottery purchases for additional plays, Lottery merchandise or other prizes. Points would be collected through various methods such as registration, referral bonuses, survey completion, site usage, and play activity and stored in the PWS database. In addition, the metrics gathered would give the Lottery a valuable resource of information from which to design games and promotions, offer specialized bonuses and offers to segmented groups, and gain greater insight in general into our players' wants and needs.
3. Online Bonus Draws are similar in execution to California Replay but do not require an actual game purchase to qualify. Bonus draws registration would be based upon certain Players Club point accumulations (tracked within the PWS database and accessible via web services) or would be offered to anyone who wishes to register. Prizes for the online bonus draws would focus on experiential and free play prizes rather than the cash prizes currently offered through the California Replay program.
4. Non-Wager Interactive Online Games (e.g., video games) would provide players with an entertaining experience. This functionality would be used to help promote Lottery products, provide entertainment, or educate users. Not all games would need to require Players Club participation, but new and more popular games could be made only available to Players Club members with new games coming available based upon site activity.
5. On-line Claims Processing would allow players to submit claims via the internet. This feature could be limited to prizes over the \$600 threshold and would allow for faster processing of claims. An online claims system would also allow players to track the status of their claim electronically.

3. Website Technical Architecture

- a. The Integrator must specify the tools and applications that will be used to support the Lottery PWS environment. The Integrator should use the latest available production release of industry standard tools and applications and stay current with software upgrades throughout the duration of any contract resulting from this RFP. These tools should include, but are not limited to, the following products:
 - i. Web Server software
 - ii. Content Management System
 - iii. Tools used to secure and authenticate public user information
 - iv. Source code change control tool

- v. Relational database
 - vi. Software used to develop and implement web services
 - vii. Web Traffic Reporting tool
 - viii. Programming languages including scripting
 - ix. Website security products, such as firewall, virus, intrusion and change detection
 - x. All other software necessary for PWS development, testing and production
- b. The Integrator shall identify and submit individual product pricing in its cost proposal for all software required to support the Lottery PWS environment.
- i. The Lottery intends to selectively purchase software products. For some products, the Lottery may receive better pricing through the State's existing purchasing agreement with software vendors. For any software product which the Integrator submits a lower cost bid than what the Lottery can obtain through its existing purchasing agreement, the Lottery will request the Integrator to purchase the software product and transfer the license to the State.
- c. The Integrator shall provide and maintain all hardware required to support the Lottery PWS environment.
- i. As described in 3.a., the Integrator will specify a variety of commercial or open source web application software architecture components that will be used to implement and operate the PWS. Server and disk storage hardware infrastructure must have the capability of supporting the latest available production release of each commercial or open source web application software architecture component, meeting or exceeding software manufacturer's minimum recommended system requirements.
 - ii. Disk storage for production and testing web environment servers must provide a minimum of 200 GB total disk space to accommodate existing Lottery content and data as well as additional usable disk space to accommodate future interactive functionality, excluding externally hosted video.

4. Security Requirements

- a. The Integrator must establish and maintain security controls to protect the confidentiality, the integrity and the availability of the information, equipment, and services of the Lottery web environment, including any equipment providing for high-availability of web, network and security services.
 - i. The Integrator must operate in accordance with State law and policies related to the protection of information assets, and the timely and efficient management of security incidents. Refer to *SIMM 65D-Security Breach Involving Personal Information: Requirements and Decision-Making Criteria for State Agencies* for specific requirements. This document can be found at

- ii. The Integrator must maintain 24 x 7 x 365 security monitoring and notify the Lottery's Contract Administrator and the Lottery's Information Security Officer within 15 minutes of any security breaches or other incidents affecting equipment hosting Lottery services or affecting the availability of the Lottery web environment.
 - iii. Lottery website and database system access changes must be approved by an authorized Lottery representative. System access shall be on a need to have basis and depend only on access privileges and access methods approved by an authorized Lottery representative.
- b. The Integrator must establish and maintain security standards, procedures and controls to protect the data, services and availability of the telecommunications network and network equipment supporting the Lottery web environment.
 - c. The Integrator must establish and maintain security standards, procedures and controls to protect the data, services and availability of the server equipment supporting the Lottery web environment. Server equipment includes web servers, application servers and database servers and may include additional servers as described in the proposer's response to this RFP.
 - d. The Integrator must establish and maintain security standards, procedures and controls to protect the security and privacy of data transmissions to and from the Lottery web environment.
 - e. The Integrator must establish and maintain physical security standards, procedures and controls to protect the confidentiality, integrity and availability of the facility, the hardware, the telecommunications network and the personnel supporting the Lottery web environment.
 - f. The Integrator must make security information and controls available for use by, or accessible by, staff authorized by the Lottery.
 - i. Security information available to the Lottery may include real-time access or logs from network equipment, servers, databases and software, network and application vulnerability test schedules and assessments, and security audit/review results.
 - ii. Controls available to the Lottery may include user setup/authorization/removal, equipment configuration modification, access reporting tools, password protection of files/folders, and procedures used to request/coordinate modification to the Lottery web environment.

5. Performance Requirements

The Lottery will maintain external verification of service availability from various points on the Internet and use this data to verify Integrator's conformity with the following performance requirements.

- a. The Integrator must ensure that the following web environment performance goals will be based on a controlled testing environment to benchmark and test high-speed access and processing speeds on mobile and stationary devices.
 - i. Provide Internet connectivity that will sufficiently sustain graphic-intensive pages, file transfers, and streaming audio/video clips.
 - ii. The production web server must push a page in two (2) seconds or less.
 - iii. The production web site's static content search engine requests shall return and download search results within four (4) seconds or less of the requesting event (e.g., user clicks "Search" or "Submit" button).
 - iv. The production web site's login pages shall process user authentications and download resulting confirmation or initial secure page within four (4) seconds of the requesting event (e.g., user clicks button to submit username and password).
- b. The Integrator must ensure that the web hosting environment including the Content Management System, web services, all networking infrastructure services and protocols required for normal web environment operation, and third-party applications/web solutions shall not be unavailable for more than a total of 4.38 minutes (grace period) within one calendar month in order to ensure 99.99% uptime functionality.
- c. The Integrator will provide email, text messaging and/or telephone notifications for significant events, as defined by the Lottery.
 - i. Significant events will be defined by the Lottery and may include but are not limited to any performance degradation, web site or database availability changes, changes in software or hardware configurations, capacity utilization thresholds, and security breaches.
 - ii. A written incident report detailing: the specific characteristics and causes of each occurrence; the effect the occurrence had on service; and the steps taken to remedy the situation and prevent future occurrences shall be prepared.
 - iii. The Integrator shall deliver this report within 24 hours of the significant event.
- d. The Integrator must notify the Lottery via phone and email, within 15 minutes of any network or server outage or any type of disruption which impacts the Lottery's PWS entire solution; or any other occurrence that results in a failure of the functionality or inaccessibility of any area of the website.
 - i. A written incident report detailing: the specific characteristics and causes of each occurrence; the effect the occurrence had on service; and the steps taken to remedy the situation and prevent future occurrences shall be prepared.
 - ii. The Integrator shall deliver this report within 24 hours of service restoration.
 - iii. Service outages resulting in a client-side message indicating that the service or website is unavailable is considered a service failure and will be reported as such. In the event that such unavailability of service occurs, the Lottery reserves

the right to assess financial penalties, as specified in Exhibit B, Terms and Conditions, Section 11, Liquidated Damages.

6. Reporting Requirements

- a. The Integrator shall provide data, in an electronic format suitable for loading into a database, on a monthly basis, due by the 10th of the following month, as described below.
 - i. Web statistics, including unique user site sessions, page views, hit counters, cumulative year-to-date site visits and page views, bandwidth usage, etc.
 - ii. All downtime instances affecting the Lottery web environment during the previous month.
 - iii. All security incidents requiring activation of the vendor's security incident response procedures within the previous month.
 - iv. All incidents requiring activation of the vendor's business continuity plans within the previous month.
- b. The Integrator shall provide data, in an electronic format suitable for loading into a database, on a quarterly basis, due by the 10th of the month following the end of the quarter, as described below. Quarters will follow the Lottery fiscal year (July - September, October – December; January – March; April - June).
 - i. All hardware or operating environment configuration changes, upgrades and replacements made to the equipment supporting the Lottery web environment during the previous quarter.
 - ii. All patches and updates applied to the hardware and operating environment of the Lottery web environment during the previous quarter.
- c. The Integrator shall provide data, in an electronic format suitable for loading into a database, on an annual basis, due by July 15th each year, as described below.
 - i. All current hardware and software licenses for supporting and operating the Lottery web environment.
 - ii. All hardware and network equipment, including storage, processing and telecommunication capacities, supporting and operating the Lottery web environment.
- d. Upon request, the Integrator shall provide an electronic format report of server logs of website activity.

7. Support and Maintenance

- a. The Integrator shall provide a live response that is available 24 x 7 x 365 to address and respond to service requests and resolve high priority or escalated issues.

- b. The Integrator shall provide an Account Liaison who will become familiar with the day-to-day business of the Lottery environment. The liaison will serve as the primary point of contact to the Lottery.
- c. The Integrator shall maintain and fix all design, programming or deployment issues on a timely basis. The Lottery and the Integrator will jointly define the priority of the issue and a reasonable timeframe for resolution.
- d. The Integrator shall establish and maintain a server maintenance and patch management process.
 - i. Utilize a baseline analyzer for windows servers to demonstrate patch level and hardening compliance to industry standards.
 - ii. Utilize a change management tool to manage changes and to show which changes are made.
- e. The Integrator shall provide recommendations for a website content change control process that Lottery staff will follow.
 - i. Provide the ability to utilize the change management function within the Content Management System to manage changes and to show which changes are made.
- f. The Integrator shall establish and maintain a change control process for any changes to custom software, source code, and database structure.
 - i. Utilize a source code control tool, such as Microsoft VSS, Microsoft Team Foundation Server, CVS, PVCS, or Rational ClearCase, to manage source code changes and to show which changes are made.
- g. The Integrator will notify the Lottery Contract Manager of any change to the Integrators Solution. The Integrator will obtain the approval of the Lottery Contract Manager for any substantial changes beyond the scope of usual Support and Maintenance. The Integrator will provide the justification, the level of technical complexity, and the estimated cost and duration for making the change.
- h. The Integrator shall incorporate new functionality, as requested and approved by the Lottery.
 - i. The Integrator shall develop new site templates, as requested by the Lottery, and deploy on the PWS.
 - ii. The Integrator shall develop new web applications, as needed, to support the site.
 - iii. The Integrator shall provide training as needed to Lottery staff on website functionality as new applications or web solutions are incorporated into the website.
 - iv. The Integrator shall follow the testing requirements specified in section1(e)(i-iv) of Exhibit A, Scope of Services, prior to releasing new functionality on the

production environment.

- i. The Integrator shall provide on-going support for the Content Management System, PWS database, web services, notification and data feeds, and other administrative tools.
- j. The Integrator must submit all source code, scripts, utilities for building applications and web services, supporting documentation and diagrams to the Lottery on a quarterly basis.

8. Business Continuity, Reliability and Recoverability

- k. The Integrator must establish and maintain business continuity and disaster recovery standards, processes and procedures to support the Lottery web environment objective of 99.99% uptime.
 - i. Capabilities shall include, but are not limited to, information about disaster declaration and management organization, notification and communication strategies, local and remote hosting facility recovery capabilities, recovery site telecommunications, environmental, electrical and security capacities and strategies, hosted environment hardware repair and replacement strategies, staffing strategies to support site recovery, and strategy for ensuring availability and recovery of Lottery web environment hardware, configuration information, applications and data.
 - ii. The Integrator must provide a documented business continuity plan to be implemented in case of an event or series of events that impacts the delivery of the contracted services. The business continuity plan should be current and tested quarterly. The business continuity plan and the results of the most recent test of the business continuity plan shall be made available to the Lottery upon request.
- l. The Integrator must perform backups of the Lottery data and environment for restorative and recovery purposes.
 - i. The Integrator must maintain and protect system integrity to ensure that no data is lost in the event of a service failure. Ideally, the Lottery would like PWS database backup close to real-time, but will consider other options depending on the bidder's cost estimate.
 - ii. Full backups of Lottery data must be made daily and retained for a time period specified by the Lottery. Currently, the Lottery is working on data retention standards and will apply these standards to the Integrator's continuity, reliability and recoverability requirements.
 - iii. At least monthly and prior to any configuration changes, the Integrator shall perform full system backups of servers and configuration information and retain system backups for a period of six months.

- iv. At least monthly and prior to any configuration changes, the Integrator shall test the backup system to make sure it is working properly.
- v. Backup data shall be available at the primary site to provide for data restoration and stored off-site in a location, outside of flood zones or other locations prone to natural hazards, to protect against loss in the event that the primary facility is unavailable. Transportation and storage of all backup media shall be performed in a secure and environmentally controlled manner.
- vi. Documentation of backup media and its location shall be kept up to date and available at both the primary and off-site locations and available to authorized Lottery representatives upon request.

8. Other Associated Services

- a. The Integrator may offer other associated services not identified in this RFP. This is an opportunity for proposers to offer options the Lottery may not have been aware of at the time this RFP was written. Proposers should describe in detail any other service(s) proposed to be provided to the Lottery that are not specifically addressed in this RFP. The proposer also should specify how those services would assist the Lottery in achieving its objectives as outlined in this RFP.

EXHIBIT B

CONTRACT TERMS AND CONDITIONS

1. GENERAL PROVISIONS

1.1 Signature Authorization

The person signing this Contract warrants that he/she is an agent of the Contractor and is duly authorized to enter into this Contract on behalf of the Contractor.

1.2 Initial Term of Contract

The initial term of the Contract is three (3) years.

1.3 Option to Extend

The Lottery may unilaterally extend the term of this Contract under the same terms and conditions, for full services in accordance with Exhibit A, Scope of Services, for up to four (4) one-year terms, provided it gives Contractor at least nine (9) months notice prior to specifying the extension. For each contract extension, the parties may amend Attachment 1, Price Sheet, by mutual written consent prior to the Contract expiration date.

1.4 Emergency Extended Service

At the Lottery's discretion, Contractor shall provide extended services for a period not to exceed twelve (12) months from the effective date of the Contract termination or expiration. Services shall continue to be provided by Contractor and paid for by Lottery pursuant to the terms and conditions of this Contract.

1.5 Extended Service for Contractor Change

The Lottery further reserves the right to continue operating under or further extend the initial Contract, or any extension thereof, on thirty (30) days notice for multiple ninety (90) day periods as the Lottery deems necessary for transition if a different contractor is chosen for a subsequent contract. To meet this requirement, Contractor, in consideration for entering into the Contract, shall maintain the service in a state of readiness for any such periods after the completion of the Contract. "State of readiness" means having the capability of extending the current Contract operations beyond the previously scheduled Contract term end date.

1.6 Full Force and Effect

This Contract is of no force and effect until signed by all parties and all approvals are secured ("Execution"). Contractor operates at its own risk if it commences performance before Execution.

1.7 Amendment

The parties may amend the Contract by mutual written consent and prior to the Contract expiration date. No alteration or variation of the terms of this Contract will be valid or binding unless amended pursuant to this section, and no prior oral understanding or agreement not incorporated into the Contract is binding on any of the parties.

1.8 Contractor Consideration

As consideration for the compensation paid to the Contractor under this Contract, the Contractor agrees to perform all services and to fulfill all responsibilities as duly ordered and authorized by the Lottery's Contract Manager and as detailed in Exhibit A, Scope of Services. In case of any discrepancies contained in Exhibit A, Scope of Services, the Contractor shall immediately notify the Lottery's Contract Manager for interpretation.

2. RELATIONSHIP AND AUTHORITY

2.1 Contractual Relationship

The California State Lottery Commission ("Commission"), as the governing body of the State Lottery and Contractor agree that the Lottery Act (Government Code sections 8880 et seq.) charges the Lottery with the duty to operate "so as to produce the maximum amount of net revenues to supplement the total amount of money allocated for public education in California." Contractor acknowledges that the Commission has the authority to exercise all powers necessary to effectuate the purpose of the California State Lottery Act. The Commission retains all such authority under the Contract. The Contractor agrees to be accountable and subject to the Commission and its designated administrative officers under the Contract. The Contractor agrees to be subject to all Commission policies, rules and regulations.

2.2 Authority

The laws of the State of California and any federal laws applicable to the Lottery govern the Contract. Contractor agrees to be bound by all laws, regulations, guidelines, and court orders imposed upon the Lottery as they relate to the Contract. Contractor will perform its duties and obligations subject to Lottery audit and oversight and all Contract terms and conditions. Contractor will have the power and authority, consistent with the limitations herein, to act as may be necessary or desirable to properly, efficiently, fully and completely perform the Contract.

2.3 Jurisdiction and Venue

The proposal process, the award procedure, and any Contract resulting from a solicitation, will be governed by and interpreted in accordance with this section. By execution of the Contract, Contractor acknowledges and specifically agrees that the jurisdiction for any action hereunder will be the Superior Court, State of California. The venue for any action hereunder will be the Sacramento County Superior Court in California. As consideration for entering into the Contract, Contractor waives access to any other court that may have concurrent jurisdiction inside or outside of California and also agrees to exhaust all remedies provided for in the Contract, or otherwise applicable before instituting any litigation relating to the Contract.

3. OBLIGATIONS OF THE PARTIES

3.1 Contract Managers

The Lottery and the Contractor's Contract Manager are responsible for ensuring compliance with the terms and conditions of the Contract and, unless otherwise specified in the Contract, shall have the authority to act for and bind the respective party in connection with the implementation of all aspects of the Contract. Whenever the Contract requires any action to be taken by the Lottery, such action shall be the sole responsibility of the Lottery's Contract Manager unless otherwise specified. Any action taken by any other employee of the Lottery in connection with the implementation of all aspects of this Contract without the specific written approval of the Lottery's Contract Manager shall be of no legal effect. The parties shall notify each other in writing within five (5) State working days of a proposed change in a Contract Manager. Any change in Contractor's Contract Manager shall be subject to Lottery approval.

3.2 Key Personnel

- A. The personnel specifically identified in the Contractor's proposal as "Key Personnel" are considered essential to the work being performed under the Contract. Before removing, replacing, or diverting any of the listed or specified personnel, Contractor must (1) notify the Lottery's Contract Manager in writing, 30 days in advance and (2) submit justification (including proposed substitutions) in sufficient detail to permit evaluation of the impact on the Contract.
- B. Contractor may not remove, replace or divert personnel listed in Contractor's proposal as "Key Personnel", without the Lottery Contract Manager's written consent.

3.3 Licenses and Permits

The Contractor must be able to do business locally in California and must obtain, at the Contractor's expense all licenses and permits required by law for accomplishing any work required in connection with this Contract. The Contractor must upon request, provide the Lottery with copies of all required licenses/permits. In the event any licenses or permits expire at any time during the term of this Contract, the Contractor agrees to renew and provide the Lottery upon request with a copy of the renewed licenses or permits.

3.4 Ethical Conduct Guidelines

The Lottery has in effect Incompatible Activities and Ethical Conduct Standards which restrict and in some instances prohibit transactions between Lottery Contractors and Lottery employees. In some circumstances family or social relationships between Contractor or subcontractor personnel and Lottery employees must be disclosed. A copy of the current Incompatible Activities and Ethical Conduct Standards is attached as Exhibit C. All Lottery Contractors and their agents and employees are expected to read Exhibit C and cooperate with its requirements. Contractor and subcontractor personnel may also be asked to disclose information relevant to the Incompatible Activities and Ethical Conduct Standards (from time to time throughout the Contract term), in keeping with the Lottery's mandate to conduct the Lottery with integrity, honesty, and security. The Incompatible Activities and Ethical Conduct

Standards may be amended from time to time, and Contractor agrees to ensure continuing compliance by its employees with those standards in all dealings with Lottery employees.

3.5 Confidentiality of Parties

Contractor must keep confidential all information and materials related to the Contract and must not disclose any such information or materials to third parties unless such disclosure is approved in writing by the Lottery's Contract Manager, specifically required by court subpoena or order, or otherwise specifically permitted by the Contract. Under no circumstance will the Lottery be liable to the Contractor or to any other person or entity for disclosing the material Contractor has designated as trade secret or confidential information.

3.6 News Releases

Contractor must not issue any news releases or make any statement to the news media pertaining to this Contract without the prior written approval of the Lottery, and then only in cooperation with the Lottery.

3.7 Nondisclosure of the Lottery's Plans

Contractor must use its best efforts to ensure that the details of the public relations activities or games planned by the Lottery are not disclosed to persons or organizations other than the personnel, agents, or subcontractors of Contractor whose assistance in the development of public relations materials or games is necessary, until the Lottery announces same. Contractor must ensure that its employees, agents and subcontractors adhere to this requirement.

4. GENERAL WARRANTIES AND REPRESENTATIONS

Contractor warrants and represents that:

- A. Contractor is fully authorized and prepared to enter into and fully perform the terms and conditions of the Contract;
- B. Contractor has secured or will have secured all necessary rights, clearances and/or licenses with respect to all material and elements embodied in or used in connection with the performance of the Contract and any extension periods;
- C. Contractor will comply with all federal, state, and local laws, ordinances, rules, and regulations applicable to its activities and obligations under the Contract;
- D. The goods and services provided do not and will not infringe any copyright or other intellectual property rights;
- E. All services provided by Contractor pursuant to the Contract will be performed in a prompt, competent manner by properly trained individuals in accordance with the highest standards of Contractor's industry;
- F. Contractor will, at all times during the term of the Contract and any extensions thereof, be

qualified and professionally competent, and will procure and maintain, at its expense, all licenses, permits, and governmental approvals, if any, necessary to the performance of its obligations under the Contract;

- G. No software program, process, composition, writing, equipment, appliance or device, or any trademark, service mark, logo, idea, or any other work or invention of any nature or any other tangible or intangible property whatsoever developed, provided or used by Contractor (other than that provided or used by the Lottery or another contractor at the Lottery's request) in connection with its performance under the Contract, infringes or will infringe any patent, copyright, trademark, logo and/or other service mark of any other person, or entity, or is or will be a trade secret of any other person. Contractor warrants and represents that it has appropriate products and controls in place to ensure against such infringement. Upon request, Contractor must provide the Lottery with documentation indicating a third party's written approval and license for Contractor to use and sublicense the third party's copyright, patent, trademark or trade secret.

5. FISCAL PROVISIONS

5.1 Reduction of Funds

The obligations of the parties under this Contract are subject to the availability of funds appropriated by the State Lottery Commission to the Lottery.

5.2 Frequency of Payment

Contractor will be paid upon submission of an invoice, monthly in arrears, and approved by the Lottery Contract Manager.

5.3 Payment

Contractor shall be paid in accordance with Attachment 1, Price Sheet. Payments will be made within forty-five (45) calendar days after the postmark date of the invoice unless an invoice is disputed. Interest will accrue and be charged on payments which are overdue within the meaning of Government Code section 927.6 at a rate of 1% above the rate accrued on June 30th of the prior year of the Pooled Money Investment Fund, but not to exceed 15%.

If the Contractor is certified with the Department of General Services or with the State Lottery as a small business, payment will be in accordance with Government Code section 927.6. Payments will be made within thirty (30) calendar days after the postmark date of the invoice unless specified otherwise within the Contract or unless an invoice is disputed. Interest will accrue and be charged on payments that are overdue within the meaning of section 927.6 at a rate of 1/4% (.0025) per calendar day starting on the 31st day. Penalties of \$75.00 or less are waived per section 927.6.

If the Lottery determines that an invoice was improperly executed, or that additional evidence of the validity of the invoice is required, the Lottery will notify the Contractor of a disputed invoice within fifteen (15) calendar days from receipt of the invoice. Once the invoice is corrected, payments will be made within forty-five (45) days from receipt of the corrected invoice. If Contractor qualifies as a small business as discussed above, then payment will be made within thirty (30) days from receipt of the corrected invoice.

5.4 Notice of Monies Due

The Lottery will notify the Contractor in writing when and if any monies are due the Lottery. Any monies the Contractor owes the Lottery must be paid to the Lottery within forty-five (45) days after the postmark of the notice of the amount due or the amount due will be deducted from compensation otherwise due the Contractor by the Lottery.

5.5 Tax Reporting

The Contractor is notified that section 6041 of the Federal Internal Revenue Code and section 18646 of the State Revenue and Taxation Code require the State to report certain payments to individuals. No claims for payment will be processed by the State without the necessary information as specified in section 6041 of the Federal Internal Revenue Code and section 18646 of the State Revenue and Taxation Code. The Contractor agrees to abide by these conditions and to provide the information requested for those tax-reporting requirements.

5.6 Withholds

- A. The Lottery has the right to withhold or delay payments to Contractor, in whole or in part, if Contractor fails to perform its material obligations under the Contract.
- B. For the last month of the Contract term, the Lottery may withhold up to 100 percent of its payments to Contractor, which will be released in the Lottery's discretion upon completion of satisfactory transfer to a new contractor.
- C. Should Contractor cure the performance failure giving rise to the withheld or delayed payment, the Lottery will review the matter with Contractor and determine, within its discretion, whether the Lottery will continue to withhold payment or otherwise offset money due Contractor.

5.7 Full Compensation

The compensation to be paid the Contractor, except as otherwise provided herein, is in consideration for all of the Contractor's services and administrative expenses, including travel, per diem, services-related training and all applicable taxes.

5.8 Invoicing

Contractor must submit invoices in duplicate on a monthly basis noting the Contract number and listing the services rendered, goods provided and reimbursement claimed. The Lottery Contract Manager will review each invoice for completeness and accuracy and either approve or dispute it. Disputed invoices shall be returned to the Contractor with an explanation. Unless disputed, payment will be made after goods and services are received. Invoices must be submitted to:

**California State Lottery
Accounting Operations and Prize Payments
P.O. Box 778
Sacramento, CA 95812-0778**

Documents necessary to support and substantiate each invoice must be made available to the Lottery upon request. Contractor is required to mark "Final Invoice" on the last invoice to be submitted to the Lottery for payment. If no final invoice is received within one hundred and eighty (180) calendar days after the termination of the Contract or expiration of the Contract by its own terms, Contractor waives the right to receive any further payments under this Contract.

6. LOSS PREVENTION

- A. The Contractor must acquire and maintain insurance coverage as set forth in this Section 6 and following subsections, and shall defend, indemnify and hold the Lottery harmless pursuant to subsection titled Indemnification. The required policies must remain in force throughout the term of the Contract and any extensions, and copies of the policies must be provided to the Lottery upon request. Certificates of insurance for each required policy must be provided to the Lottery within ten (10) calendar days of execution of the contract. In addition, all certificates of insurance for renewals must be forwarded to the Lottery within ten (10) calendar days of the policy expiration. For subsections 6.2 through 6.6, the insurance must be issued by companies rated A-minus or better by the AM Best Company, or meet the approval of the Lottery. Each policy must contain a provision whereby it cannot be canceled except by giving thirty (30) days written notice to insured and certificate holders. If Contractor's carrier cancels any policy, the Contractor must immediately obtain a replacement policy prior to expiration of the thirty (30) day notice period. Failure to provide and maintain any insurance or security may result in the termination of the Contract.
- B. The Contractor will not perform services or incur expenses until certificates of insurance for the required policies are received by the Lottery.
- C. The Contractor may request and receive authorization to adjust insurance liability limits. The Contractor must submit requests to adjust insurance liability limits in writing, to the Lottery Contract Manager. The Contractor shall not adjust insurance liability limits without prior written approval of the Lottery Contract Manager.

6.1 Workers' Compensation

Contractor must maintain Workers' Compensation insurance for all of its employees who will be engaged in the performance of the Contract pursuant to the requirements of California Labor Code section 3700.

6.2 Commercial General Liability or Public Liability Insurance

Contractor must maintain commercial General Liability insurance with limits of at least one million dollars (\$1,000,000) for any one person and one million dollars (\$1,000,000) for any one occurrence for death or bodily injury, and one million dollars (\$1,000,000) for any one occurrence for property damage. The policy must also include coverage for liabilities arising

out of premises, operations, independent Contractors, products, advertising injury, and with a two million dollar (\$2,000,000) aggregate, personal and advertising injury and liability assumed under an insured Contract. The Policy must include the Lottery, Lottery Commission members and Lottery Officers and employees as additional named insured, insofar as the operations under the Contract are concerned.

6.3 Professional Liability aka Errors & Omissions Insurance

Contractor must maintain Professional Liability covering any damages caused by an error, omission or any negligent acts. Limits of not less than one million dollars (\$1,000,000) shall be provided.

6.4 Financial Security for Lottery

The Contractor must acquire and maintain an initial level of financial security sufficient to satisfy the Lottery in the event of Contractor's non-performance or partial performance in the amount equal to the Contract's first year value as determined by the Lottery. The amount of the security may be reevaluated by the Lottery at any time. Any security amount adjustment shall be based on the value of the Contract at the time of the adjustment, including any amendments. At the Lottery's discretion, the security may include, but is not limited to, the following: performance bond, irrevocable letter of credit, deed of trust on Contractor's real property, assignment of assets to Lottery, or certificate of deposit which secures the Lottery against non-performance by Contractor, its agents, and employees and any subcontractor, its agents, and employees. The Lottery shall be able to execute against the acceptable security for any loss of revenue resulting from any material error, breach, violation, or failure to perform under the Contract.

6.5 Indemnification

- A. Contractor must defend, indemnify, and hold harmless, at Contractor's expense, the State of California, the Lottery, Lottery Commission, Lottery Commission members, Lottery officers, employees and agents, and their respective successors, heirs, representatives, administrators and assigns, from all responsibilities, suits, judgment, awards, costs, damages, claims, demands, actions, causes of action, expenses or liabilities of every nature threatened or brought against, sustained or incurred by any of them, whether joint, several, or individual (hereafter referred to as "claims") resulting or arising from or in any way connected with or based on the negligent, unauthorized or intentional activities of Contractor or its officers, employees, subcontractors, or agents in connection with the Contract. Contractor's obligations hereunder include any losses, damages, liabilities, settlements, judgments, fines, costs, fees, and expenses of any nature whatsoever, including but not limited to fees of attorneys and other professionals at trial and on appeal.
- B. Neither Contractor nor any attorney engaged by Contractor may defend against such claims in the name of the Lottery, nor purport to act as a legal representative of the Lottery, without the prior written consent of the Director of the Lottery or his/her designee.
- C. The Lottery may, at its election and at the Contractor's expense, assume its own defense and settlement in the event that the Lottery determines that: (i) Contractor is prohibited from defending the Lottery; or (ii) Contractor is not adequately defending the Lottery's interests;

or (iii) a governmental principle is at issue and the Lottery desires to assume its own defense.

D. The indemnities set forth in this subsection are in addition to, and not in lieu of, any other indemnities provided hereunder or by law.

E. Contractor must provide the Director immediate written notice of any action or suit filed against Contractor that is related in any way to the Contract.

7. CONTRACT OVERSIGHT

7.1 Background Investigations and Approval of Contractor Staffing

The Lottery may investigate Contractor, its officers, directors, principals, investors, owners, employees or other associates, and/or the officers, directors, principals, investors, owners, employees, and other associates of the Contractor's parent entity, subsidiaries, and/or subcontractors at any time during the life of the Contract, at the discretion of the Director of the Security Division. The Lottery may reject a bid or terminate the Contract based on the results of these investigations as provided in California Government Code sections 8880.57 and 8880.58.

Furthermore, Contractor understands and agrees that, in furtherance of the Lottery's full disclosure requirements, any person associated with the performance of the Contract may be fingerprinted and may be required to complete a Personal History Statement and an Authorization to Release Personal Background Information form.

The Lottery reserves the right to disapprove any Contractor and/or subcontractor personnel assigned to the Lottery Contract. Any personnel deemed unacceptable to the Lottery shall immediately be removed from the Contract and all facilities. All subcontracts must include a provision implementing this right.

The Bidder and/or subcontractor personnel shall not be assigned to the Lottery Contract if they have ever been convicted of a felony, gambling-related offense, or a crime involving dishonesty. This Contract may be subject to termination if the Contractor knowingly assigns to or fails to remove from the Lottery Contract, personnel with criminal convictions as described above.

The Bidder may be required to reimburse the Lottery for necessary and reasonable costs incurred by the Lottery in conducting background investigations pursuant to the terms and conditions of the Contract; including travel, lodging, per diem, document procurement, site inspections, fingerprinting and any other necessary and reasonable expenses.

7.2 Contractor Evaluation

The Contract Manager for the Lottery and the Contractor may meet as often as necessary, but not less than once a year to review and evaluate progress and performance. The review and evaluation criteria will be established by the Lottery Contract Manager and may include but will not be limited to problems and future performance under the contract and any other subject relating to completion of tasks under this contract. The evaluation shall be written and will be

provided to the Contractor within 30 days. The final evaluation of the Contractor's performance will take place within thirty (30) days of contract termination or expiration.

7.3 Small Business Participation Monitoring

The Lottery's Contract and Procurement Services Section will monitor the Contractor's Small Business Participation, if applicable. Periodic participation reports will be required from the Contractor.

7.4 Access to Financial and Accounting Records

The Contractor and its subcontractors for this Contract are required to maintain financial and accounting records and other documents and evidence, including but not limited to electronic versions, hereinafter "documents", pertaining to the fulfillment of the Contract obligations in accordance with generally accepted accounting principles (GAAP) and other procedures that may be specified by the Lottery. Contractor must make these documents available to the Lottery upon request during the Contract term and any extensions. Gov. Code sec 8880.67. Contractor must retain these documents for four (4) years from the date of final payment of the Contract.

The Lottery reserves the right to audit all Contractor and subcontractor documents and procedures, as they relate to this Contract.

- A. The Contractor will make available to the Lottery upon request authenticated requisitions for payment (including invoices from suppliers, etc.) and proof of payment to third parties for all work and services on behalf of the Lottery's accounts. Contractor will make these items available to the Lottery upon request.
- B. The Contractor shall make available to the Lottery all documents relating to the Contract as well as expenses incurred by the Contractor on the Lottery's behalf for which Contractor claims reimbursement. Contractor will make all documents open to examination and inspection by an authorized representative of the Lottery at all reasonable times.

7.5 Audit Provisions

A. Records Audit

During the Contract's term, and for four (4) years thereafter, the Contractor must provide all duly authorized representatives of the State, Lottery or its Contractor, full access to all related Contract financial records, including access to individuals with knowledge of financial records. All duly authorized representatives of the State, Lottery or its Contractor, may examine, audit and copy all the information described in this section.

B. Right to Audit Contractor's Operations

The Lottery reserves the right to audit Contractor records, procedures, and operations as they relate to the Lottery. Audits may include both announced and unannounced inspections and on-site audits. Audits may include the place(s) where duties under the Contract are being performed, reviewing the physical or logical security controls, or eliciting

information concerning the software provided under this Contract. The Lottery's auditors, a state control agency or an independent firm specified by the Lottery may conduct the audits. The Lottery may make any number of announced or unannounced inspections of the premises at any time.

Contractor must ensure that its staff and the staff of its subcontractors providing services under the Contract fully comply with the inspections and on-site audits referenced in this subsection with no additional cost to the Lottery.

7.6 Dispute Resolution

If a dispute arises out of this Contract that remains unresolved after good faith negotiations between Lottery and Contractor, the parties will submit the dispute to binding arbitration. Arbitration will be conducted under the Commercial Arbitration Rules of the American Arbitration Association. The arbitration will be final and binding, and must be held in Sacramento County before an arbitrator who is acceptable to both parties. In the event that the parties cannot agree on an arbitrator, one will be appointed after either party petitions the court pursuant to California Code of Civil Procedure section 1281.6. The arbitrator's decision must be in the proper form to be entered as a judgment in a court of competent jurisdiction in Sacramento County. The parties to the arbitration will share equally in the costs of arbitration. Each party will be responsible for its own attorney's fees and costs. Notwithstanding any dispute, the Contractor must proceed diligently with performance of this Contract.

In the event the parties agree on another form of Alternative Dispute Resolution to address a particular dispute, this section shall not be construed to limit the parties' ability to utilize such a process. However, in any case, the Alternative Dispute Resolution process shall be considered final and binding on both parties, and no further process shall be permitted.

7.7 Notice of Delay

Whenever the Contractor has knowledge that any actual or potential situation, including, but not limited to labor disputes, will delay or threatens to delay timely performance of the work under this Contract, the Contractor must immediately provide the Lottery Contract Manager written notice including any relevant information.

8. EXPIRATION OR TERMINATION OF CONTRACT

8.1 Expiration of the Contract

Absent early termination of the Contract as provided in this subsection, the Contract will expire at the end of its term and any applicable extension(s).

8.2 Termination for Default

A. The Lottery may, by written notice of default to Contractor, terminate the Contract in whole or in part if:

1. Contractor fails to deliver material products within the time specified in the Contract or any extension; or

2. Contractor fails to perform to an extent that endangers performance of the Contract; or
 3. Contractor fails to perform any material provision of this Contract; or
 4. Contractor fails to sustain a level of economic viability in its overall operations such that the Lottery can reasonably be assured of its ability to continue to comply with all operational requirements of this Contract including those provisions relating to loss prevention; or
 5. A court of competent jurisdiction finds that Contractor or any of its principles or assigned personnel has failed to adhere to any law, ordinance, rule, regulation or order that may reasonably impugn Contractor's business in such a way as to call into question the security, integrity or competence of Contractor to serve as a Lottery Contractor; or
 6. Contractor fails to communicate on material matters with the Lottery as required by the Contract; or
 7. Contractor breaches the Contract's standard of confidentiality; or
 8. Contractor engages in conduct that results in a material negative public impression or creates the appearance of impropriety with respect to the Lottery, the Contractor, or the State of California; or
 9. Contractor has knowingly, or acting with a reckless disregard of the truth, furnished any material statement, representation, warranty or certification to the Lottery which is false, deceptive, or incomplete.
- B. The Lottery may exercise its right to terminate the Contract under this subsection if the Lottery's Contract Manager notifies Contractor of the breach and Contractor does not cure it within the Lottery's established timeline.

In the event of termination for breach under this subsection, the Lottery will mitigate its damages and will have the right to obtain replacement services and/or goods, on an emergency or interim basis, for the services and/or goods which the Contractor agreed to provide under this Contract. The Lottery may collect from Contractor the difference between the compensation stated in this Contract and the actual cost to the Lottery of obtaining and utilizing replacement services and/or goods. The Lottery may also collect actual costs, including administrative expenses and re-procurement costs, incurred to process and procure replacement services and/or goods. The Lottery may collect monies it is due by offsetting the amount from any payments due to Contractor, by perfecting and executing on any security interest provided pursuant any applicable section of the Contract, or by any other means.

- C. If the Lottery terminates the Contract for default, the Lottery may require Contractor to transfer title and deliver to the Lottery items including but not limited to: 1) completed or partially completed goods and/or materials; 2) license rights to any intellectual property that the Contractor has produced or acquired for the Contract, in addition to any other property in Contractor's control in which the Lottery has an ownership interest; and 3) all source

code, scripts, utilities for building applications and web services, supporting documentation and diagrams. Contractor must protect and preserve property in its possession in which the Lottery has an interest.

The Lottery will pay the Contract price for completed goods or materials delivered and accepted. Contractor and the Lottery will agree on the amount of payment for goods, materials, and license rights to any intellectual property delivered and accepted by the Lottery, and for the protection and preservation of other property. Failure to agree will be a dispute subject to the section herein entitled Dispute Resolution. The Lottery may withhold from any amounts due to Contractor any sum the Lottery determines is necessary to protect the Lottery against loss because of outstanding liens or claims of lien holders.

- D. The rights and remedies of the Lottery in this subsection are in addition to any other rights and remedies provided by law or under the Contract.

8.3 Termination Based on Determination of Illegality

The Lottery may terminate in whole or in part and reduce Contractor's future compensation under the Contract immediately upon its determination that an activity or operation supported by the Contract is no longer lawful for reasons including, but not limited to, court decision, legislative action, administrative decision, or advice of counsel. Upon receipt of notice of termination or reduction based on a finding of illegality, Contractor must immediately cease performance of such activity or operation and mitigate its damages. The amount of compensation reduction will correspond to the cost and expected profit of the activity or operation terminated minus reasonable costs associated with the termination. Contractor must submit, within 90 calendar days of the receipt of a notice of termination or reduction pursuant to this subsection, a compensation reduction proposal. If Contractor and the Lottery fail to agree on the amount of compensation reduction, the Lottery will reduce the compensation as determined by its calculations.

8.4 Termination for Convenience

The Lottery retains the option to immediately terminate the contract for the Lottery's convenience upon advance written notice to the Contractor of no less than 30 days, which notice shall include the effective date of the termination which may be 30 days or more away. Upon the termination date established in the Notice of Termination, the Contractor must cease performance and mitigate damages. Contractor will be entitled to compensation upon submission of invoices and proper proof of claim for that portion of the contract that was satisfactorily rendered or provided before the effective date of termination. The Lottery may also compensate the Contractor for expenses incurred as a result of binding commitments made in connection with the Contractor's performance of the contract. Compensation for such expenses lies within the sole discretion of the Lottery. Contractor must submit proof of such expenses incurred to the Lottery's satisfaction. In the event of termination for convenience, the Contractor must furnish copies of all materials related to performance hereunder at the time of termination.

8.5 Parties' Responsibilities Upon Termination and Transfer to New Contractor

Upon termination or other expiration of this Contract, each party will assist the other party in its orderly termination and the transfer of all Contract-related assets, tangible and intangible, as may facilitate the orderly, non-disrupted business operations of each party. Contractor must continue to provide and support goods and services pursuant to this Contract until migration to a replacement Contract with a new Contractor is complete. If the migration effort is required to continue beyond the term of this Contract, Contractor agrees to extend the Contract in accordance with the section entitled Extended Service for Contractor Change for the time necessary to complete the migration and orderly transfer.

9. MISCELLANEOUS PROVISIONS

9.1 Changes

- A. The Lottery Contract Manager may at any time, by written order, make changes to products or services that are not otherwise specified in this Contract if they are within the general scope of the Contract.
- B. If any such change causes an increase or decrease in the cost of, or the time required for, performance of any part of the work under the Contract, the Lottery may adjust the Contract price, the delivery schedule, or both, and may amend the Contract. The Lottery will not adjust or amend the Contract for changes customarily provided by Lottery Contractors at no cost.
- C. Contractor must request any adjustment under this provision within 30 calendar days from receiving the written change order.
- D. Failure to agree to any adjustment may be considered a dispute under the Dispute Resolution section. However, nothing in this section excuses Contractor from proceeding with performance under the Contract as changed.

9.2 Force Majeure

Neither Contractor nor the Lottery will be liable for any delay in or performance failure under the Contract due to a Force Majeure occurrence, provided that the Contractor uses reasonably diligent efforts to avoid or otherwise minimize the impact of an event of Force Majeure on the Contractor's performance. Any such delay in or performance failure will not constitute default or give rise to any liability for damages. The existence of a delay or failure will extend the period for performance to the extent determined by the Lottery's Contract Manager.

For purposes of this Contract, "Force Majeure" means an act of God or public enemy, earthquake, fire, flood, explosion, epidemic, quarantine restriction, strike, freight embargo or closure of all major access roads to geographic area, action of the elements, governmental interference, rationing or any other cause which is beyond the control of the party affected and which, by the exercise of reasonable diligence, a party is unable to control.

9.3 Waiver of Provisions

No term or provision of this Contract will be deemed waived and no breach excused, unless such waiver or consent to the breach is in writing and signed by the signatory to this Contract, or his or her successor, on behalf of the party against whom such waiver or consent is sought to be enforced. No consent by either party to a waiver or a breach by the other, whether express or implied, constitutes consent to, waiver of, or excuse for any other breach or subsequent breach except as expressly provided in the written waiver or consent.

9.4 Order of Precedence

The Contract consists of three (3) documents. If there are any inconsistencies or ambiguities in this Contract, the following documents shall be used to interpret the Contract in the order of precedence state:

- A. Terms of this Contract.
- B. Lottery's Request for Proposal (RFP) #4232 dated September 22, 20009, and any addenda thereto.
- C. Contractor's response to RFP #4232 and any clarifications/amendments submitted in response to requests by the Lottery.

If there are any inconsistencies or ambiguities in the Contract, the Contract shall be interpreted by the documents in the order of precedence referenced above. Each party acknowledges that it has read this Contract, understands it, and agrees to be bound by its terms.

9.5 Notices in General

Any notice, request, demand, consent, waiver, or other item required or permitted under this Contract or applicable law must be in writing and will be deemed duly given or made only (a) if personally served upon the party intended to receive it, in which case it is effective when delivered; or (b) if sent by certified mail, return receipt requested, postage prepaid, addressed to the party at its address set forth below, in which case it is effective on receipt by any person residing at such address; or (c) is sent by FAX with a copy sent on the same date by first class mail, postage prepaid, addressed to the party at its address set forth below, in which case it is effective as of the date of mailing. A party may change its address for purposes of this Contract only by giving written notice to the other in the manner set forth herein.

LOTTERY

Name: California State Lottery
Address: 600 North 10th Street
Sacramento, CA 95811
Phone #: (916) 327-7818
FAX #: (916) 327-1339
Attention: Ellen Ishimoto

CONTRACTOR

9.6 Invalidity in Whole or in Part/Severability

If any provision of this Contract is held illegal, invalid, or unenforceable under any applicable rule or law, such invalidity will not affect other provisions which can be given effect without the invalid provisions, and to this end, such provision(s) is declared to be severable.

9.7 Execution of Counterparts

The parties deem an executed copy of this Contract as having the same force and effect as the original document.

9.8 Sections and Subsection Headings

The Section and subsection headings contained herein are for convenience in reference and are not intended to define the scope of any provision of the Contract.

9.9 Assignment

- A. The Contractor may not assign any performance of or payment for the Contract or any portion of the Contract without the prior written consent of the Lottery. Any attempt by Contractor to make such assignment without the prior written consent of the Lottery will be void and will constitute a material breach of the Contract.
- B. The Contractor must submit requests to assign the contract in writing, to the Lottery Contract Manager. The Contractor shall not take any action to complete assignment of the contract without prior written approval from the Lottery.

9.10 Subcontracting

Upon written approval from the Lottery Contract Manager, the Contractor may enter into subcontracts. The Contractor must submit a written request to the Lottery's Contract Manager of its intent to enter into each subcontract. The Contractor's written request must be received by the Lottery Contract Manager at least fifteen (15) calendar days prior executing each subcontract. The request must: 1) provide verification that each subcontractor agrees to be bound to Contractor in the same manner as Contractor is bound to the Lottery, 2) include a detailed description of the work to be subcontracted and 3) a copy of each proposed, written subcontract. The Lottery Contract Manager may approve or disapprove a subcontractor at any time.

The Contractor must follow the Lottery's Competitive Bidding procedures which can be found on the Lottery's web site at: www.calottery.com/Media/Publications/LotteryRegulations .

Nothing contained in the Contract will create any Contractual relation, whether third party or otherwise, between the Lottery and any subcontractors. Contractor agrees to be as fully responsible to the Lottery for the acts and omissions of its subcontractors and of persons either directly or indirectly employed by any of them as it is for the acts and omissions of persons directly employed by Contractor.

Contractor's obligation to pay its subcontractors is an independent obligation from the Lottery's obligation to make payment to Contractor. As a result, the Lottery will have no obligation to pay or to secure payment of any moneys to any subcontractors.

9.11 Independent Contractor

Contractor will be an independent Contractor of Lottery in the performance of the Contract. Contractor will have the sole, absolute and exclusive control of the manner and means of its performance under the terms of this Contract except as expressly set forth herein.

9.12 Joint Ventures and Partnership – Joint and Several Liability

Each participant in a joint venture or partnership is jointly and severally liable for the performance of the entire Contract, and the joint venture members or partners must designate, in writing, one individual having authority to represent them in all matters relating to the Contract. The Lottery assumes no responsibility or obligation for the division of orders or purchases among joint venture members.

9.13 Travel and Expenses

The costs included in the Contractor's Price Sheet are inclusive of travel and expenses. The Contractor will not be compensated separately by the Lottery for travel time, mileage, meals, or incidentals.

9.14 Standards of Conduct

The Contractor shall be responsible for maintaining satisfactory standards of employee competency, conduct, appearance and integrity, and shall be responsible for taking such disciplinary action with respect to employees as may be necessary. The Contractor is also responsible for ensuring that employees do not disturb papers on desks, open desk drawers or cabinets, or use Lottery telephones except as authorized.

9.15 Nonexclusive Rights

Contractor understands and agrees that the Lottery does not grant the Contractor exclusive rights to provide all those services listed in Exhibit A, Scope of Services during the period covered by this Contract or any extension thereto. The Lottery reserves the right, during the Contract term, to acquire these services through another vendor. In exercising this right the Lottery shall determine, in the best interests of the Lottery and in furtherance of its purpose to maximize supplementary funds to public education, whether to obtain these services through Contractor or through another vendor. The Lottery's good faith exercise of this right shall not constitute a breach of the Contract.

10. Intellectual Property

10.1 Ownership

Lottery shall own and retain all right, title and interest in and to all Deliverables and all other results and proceeds of the Services hereunder, in all stages of completion, including without

limitation any and all graphics, designs, artwork, images, reports, documents, materials, techniques, ideas, concepts, logos, slogans, specifications, user interfaces, data, data templates, database structures and fields, outlines, drafts, derivatives, scripts, know-how, algorithms, software, computer code, routines or subroutines, specifications, plans, notes, drawings, designs, text, audiovisual works, inventions, data, information and other items, expressions, works of authorship or work product of any kind that are authored, produced, created, conceived, collected, developed, discovered or made by Contractor in connection with the Services or which relate in any manner to the Services or the Deliverables or which result from any work performed by Contractor for Lottery, including without limitation any and all copyrights, database rights and other intellectual property rights therein (collectively the "Work Product"). To the maximum extent permitted under applicable law, Lottery shall be deemed to be the "author" of all Work Product and all such Work Product will constitute "works made for hire" under the U.S. Copyright Act (17 U.S.C. §§ 101 et seq.) and any other applicable copyright law. Contractor hereby waives any and all moral rights or equivalent rights under the laws of any applicable jurisdiction (including without limitation rights of integrity and attribution) in and to the Work Product. To the extent that any Work Product does not constitute a work made for hire, Contractor hereby irrevocably transfers and assigns to Lottery all right, title and interest in and to the Work Product, including without limitation all copyrights, patents, trademarks and other intellectual property and proprietary rights therein throughout the world.

10.2 Detail of Rights

Contractor acknowledges and agrees that without limiting Section 10.1, the rights vested in and transferred to Lottery in and to the Work Product include without limitation the following:

- a. Copyright. Lottery shall be the sole owner of the undivided interest in all copyrights and all similar or equivalent rights throughout the world in the Work Product, whether vested, contingent or future, including without limitation all economic rights and the exclusive rights to reproduce, fix, adapt, modify, translate, create derivative works from, manufacture, market, introduce in circulation, publish, make available, distribute, sell license, sublicense, transfer, rent, lease, transmit or provide access electronically, broadcast, display, perform, enter into computer memory, and use the Work Product, all modified and derivative works thereof, all portions and copies thereof in any form.
- b. Moral Rights. Contractor and all employees, persons, contractors and other entities who may have claims of moral rights (or similar or equivalent rights under the laws of any jurisdiction) in any part of the Work Product, have agreed or Contractor will obtain their agreement that (i) they shall have no objection to publication, use and exploitation of the Work Product as contemplated by this Agreement; (ii) they shall remain anonymous authors without attribution or credit, acknowledging that Lottery or its designees may be designated as author; (iii) Lottery or its successors, assigns or licensees may make future modifications and adaptations to the Work Product, and may make disclosure and disposal of the Work Product, and any modifications thereof, in the manner that Lottery or its successors, assigns or licensees see fit; without any right of approval, withdrawal or public renunciation by such persons, and (iv) their remuneration for the Work Product is complete, adequate and reasonable.

For any and all such rights in the nature of moral rights or otherwise that are not capable of vesting in or transfer to Lottery under applicable law, then Contractor waives and agrees never to assert such rights against Lottery or its successors, assigns or licensees and to

cause its employees and contractors to agree to the foregoing covenants.

- c. Patent, Design, Trademark Rights. Lottery shall be the sole owner of all rights in and to any inventions, designs, database rights, and marks embodied in the Work Product or developed in the course of creation of the Work Product, including without limitation, all utility and design patent rights and equivalent rights in and to such inventions and design rights, and all trade and service mark rights, throughout the world.
- d. Exclusive Worldwide License. In the event that by operation of law, notwithstanding Contractor's execution of any further documents to effectuate the transfer of rights to Lottery hereunder under Section 10.5, Contractor is deemed to have retained rights in any portion of the Work Product, Contractor grants to Lottery, its successors, assigns, and licensees, an exclusive, irrevocable, worldwide, fully-paid, royalty-free license to reproduce, fix, adapt, modify, translate, create derivative works from, manufacture, introduce into circulation, publish, distribute, make available, sell, license, sublicense, transfer, rent, lease, transmit or provide access electronically, broadcast, display, perform, enter into computer memory and use and otherwise exploit the Work Product, all modified and derivative works thereof, all portions and copies thereof in any form, and all inventions, designs and marks embodied therein, throughout the world in all media whether now known or hereafter devised.
- e. Rights in Tangible Media. Lottery shall be the sole owner of all tangible and intangible copies, documents, magnetic or optical media, or other materials, chattel or personal property created by or for Contractor in connection with this Agreement. Upon written notice from Lottery, Contractor shall deliver to Lottery all embodiments of the Work Product, in electronic and tangible formats as specified by the Lottery, and/or destroy and certify destruction of all copies of the Work Product in Contractor's possession or control. Contractor shall maintain the Work Product and other materials of Lottery in accordance with Lottery's information security requirements and will certify in writing compliance with such requirements upon request.
- f. Applications, Renewals, Further Assignments and Transfers. The rights vested in, assigned to, transferred and/or licensed to Lottery hereunder include without limitation (a) the exclusive right to make and secure applications and registrations of copyright and other intellectual property rights; (b) the exclusive exercise of such intellectual property rights for the unlimited, entire period of such rights throughout the world; (c) the exclusive right to renewals, reversions, and extensions of such intellectual property rights; (d) the exclusive right to authorize, transfer, license, sublicense, deal in, dispose of and assign others to own or exercise such rights, title and interests; and (e) the exclusive right to initiate, pursue, prosecute and settle past, present and future claims of infringements relating to such intellectual property rights. Without limitation, Contractor acknowledges that all rights of every kind and nature whatsoever in the Work Product may be exploited, assigned and licensed by Lottery to such third parties as it sees fit, and the Work Product is expressly acknowledged to be specially ordered and commissioned by Lottery.

10.3 Acknowledgments

Contractor acknowledges and agrees that Lottery is the exclusive holder of all copyright, trademark, patent, and other intellectual property and proprietary rights in the Work Product worldwide and that Contractor has no right to and will not directly or indirectly reproduce, fix,

adapt, modify, translate, create derivative works from, manufacture, market, introduce into circulation, publish, distribute, sell, license, sublicense, transfer, rent, lease, transmit or provide access electronically, broadcast, perform, display, enter into computer memory, or use or exploit the Work Product, or any portion or copy thereof in any form, or any such rights, or authorize or assign others to do so, or derive any other work from concepts, information or elements of the Work Product, except as explicitly permitted by this Agreement. In the event that Lottery provides Contractor with technology, software, resource files, tools and other materials with which to prepare the Work Product, Contractor will safeguard and use such materials only for the purpose of preparing the Work Product and return such materials and all copies thereof at any time upon request of Lottery.

10.4 Further Assurances

At Lottery's expense, but without payment of additional compensation, Contractor shall execute all documents and take all actions necessary or reasonably requested by Lottery to document, obtain, maintain, perfect or assign its rights to the Work Product. Contractor shall also cause its employees, agents and subcontractors to execute such documents and take such actions as described above. If Contractor fails or refuses to execute any such instruments within ten (10) business days after Lottery's request, Contractor hereby appoints Lottery as Contractor's attorney-in-fact (this appointment to be irrevocable and a power coupled with an interest) to act on Contractor's behalf and to execute such documents. Contractor will not contest the validity of Lottery's rights in the Work Product and will cause its employees, agents and subcontractors to comply with the foregoing. All such Work Product will be deemed to be the confidential, proprietary and trade secret information of Lottery under and subject to a Non-Disclosure Agreement.

10.5 Third-Party Materials

Contractor will not disclose to Lottery or use in its work any trade secrets or confidential information of a third party which Contractor is not lawfully entitled to disclose or use in such manner. Contractor will not use any equipment, supplies, facilities, computer code, work product, inventions, materials or intellectual property of any other party (the "Third Party Materials") in any Work Product or in Contractor's performance under this Agreement unless: (a) Contractor has the full right and authority to do so without violating any rights of any third party; (b) Contractor has obtained all necessary rights to enable Contractor to perform its obligations under the Agreement and grant the rights granted herein and to permit Lottery to utilize the Third Party Materials as contemplated under this Agreement at no additional cost to Lottery; (c) Lottery's use of such Third Party Materials will not restrict or impair in any manner its use of the Deliverables or the Work Products or subject Lottery to any obligation or liability; and (d) such Third Party Materials are specifically identified to Lottery in writing in advance of any use and Lottery has agreed in writing to such use and approved the written agreement for such Third Party Materials. Contractor hereby grants to Lottery a perpetual, irrevocable, sublicenseable, non-exclusive, fully-paid, royalty-free, worldwide license to use, exploit, sell, copy, reproduce, manufacture, distribute, export, publicly display, publicly perform, sublicense, modify, improve, enhance and make derivative works of such Third-Party Materials as incorporated in the Work Product or any derivatives or reuses thereof by Lottery or its successors, assigns or licensees in all media whether now known or hereafter devised. Lottery reserves the right to designate particular Third Party Materials to be licensed on an exclusive basis. For the avoidance of doubt, Lottery requires that all independent contractors engaged by Contractor to create the Work Product transfer all rights to their work product and

the foregoing will apply solely to the approved use of pre-existing third-party materials as set forth herein.

10.6 Transfers and Consents

Contractor shall secure in writing in form satisfactory to Lottery all transfers of rights and other consents necessary for Contractor to make the assignments, licenses and other transfers set forth in this Section 10.6 and the warranties set forth in Section 4. Without limitation, Contractor shall secure written agreements and consents from its employees and contractors that all works created pursuant to this Agreement (including the Work Product) fall within the scope of their employment duties or engagement, as applicable, and that all economic rights in such works vest in Contractor as the employer and are fully transferable, and Contractor shall secure such written transfers of rights and all other required consents from all other persons or entities whose services were, are or will be rendered in connection with the Work Product. Upon request, Contractor will provide Lottery with copies of all such contractual documentation and shall include Lottery as a third-party beneficiary of such agreements or cause such parties to execute a further acknowledgment and assignment for the benefit of Lottery if requested.

11. Liquidated Damages

- a. It is mutually agreed that:
 - (1) If the Contractor fails to perform the services and/or provide the goods herein described, damage to the Lottery shall result;
 - (2) Proving such damage would be costly, difficult, and time-consuming;
 - (3) The damage amounts contained in this Article represent a good faith effort to quantify the range of harm that could reasonably be anticipated at the time of the making of this Agreement;
 - (4) The Lottery may, at its discretion, withhold liquidated damages from payments to the Contractor, or make demand for repayment of monies advanced to the Contractor, said payment to be rendered within thirty (30) days of demand date, whichever applies.
- b. Nothing in this section shall be construed as relieving the Contractor from performing all contract requirements whether listed herein or not, nor is the Lottery's right to enforce or to seek other remedies from breach of contract of any other duty hereby diminished.
- c. This Contract and the documents listed in the Order of Precedence provision will be used by Lottery to monitor Contractor performance and will provide the basis for determining liquidated damages.
- d. The Contractor shall provide all such documentation and any other information deemed by the Lottery pertinent and necessary for the purpose of determining whether liquidated damages are to be assessed.

- e. The base payment period for purposes of this section is the business week which is defined as the period starting at Sunday at 00:00.01 hours through Saturday at 11:59.59 hours.
- f. Once the Lottery has determined that liquidated damages are to be assessed, the Lottery's Contract Manager or designee shall:
 - (1) Notify the Contractor of the assessment(s). The assessment notice shall be sent to the Contractor by certified mail, return receipt requested, or by any other method which provides evidence of receipt. The Contractor shall pay the assessment within thirty (30) days of receipt of the assessment notice; or
 - (2) Determine if the Contractor's failure to comply with any of the terms and conditions was caused in whole or in part by factors beyond the Contractor's control. The Lottery's Contract Manager or designee shall reduce any liquidated damages assessment proportionally. The Lottery's Contract Manager or designee will make such determination on a case-by-case basis.
- g. Any liquidated damages assessment may also be collected, at the Lottery's Contract Manager or designee's discretion, by withholding the funds from an administrative payment(s) due the Contractor after the date of assessment.
- h. As determined appropriate by the Lottery's Contract Manager, the following are the conditions under which the Contractor may obtain relief from the continued assessment of liquidated damages which have been imposed:
 - (1) Except as waived by the Lottery's Contract Manager, no liquidated damages imposed on the Contractor shall be terminated or suspended until the Contractor issues a written notice of correction of condition(s) for which liquidated damages were imposed.
 - (2) The necessary level of documentation to verify corrections is determined to be acceptable by the Lottery's Contract Manager, who is the sole judge of the accuracy of any documentation provided.
 - (3) A Contractor notice of correction will not be affected until correction is verified.
 - (4) Unless specified otherwise by the Lottery's Contract Manager, corrections must be sustained for a period of at least ninety (90) days from Lottery acceptance; otherwise, liquidated damages may be re-imposed without a succeeding grace period (in those cases where one is allowed) within which to correct.
 - (5) Contractor use of resources to correct defects must not be allowed to cause other problems.
 - (6) The Contractor shall certify that each defect so identified is corrected.
- i. If any portion of this liquidated damages provision is determined to be unenforceable in one or more of its applications, the portion remains in effect in all applications not

determined to be invalid that are severable from the invalid application. If any portion of this liquidated damages provision is determined to be unenforceable in total, the other portions of this provision shall remain in full force and effect.

j. Specific Instances:

The following are examples of specific instances where Contractor's failure to meet the contract requirements could cause damage to the Lottery and subject Contractor to liquidated damages, in addition to any other damages or remedies available to the Lottery. The Lottery has the complete and sole discretion to determine whether to assess liquidated damages and its discretion in this regard is not limited to the specific instances set forth below by way of example. Upon contract award, Contractor and the Lottery will determine and mutually agree on specific conditions and damages.

(1) Failure to maintain network and web environment availability

Condition

The Contractor must maintain 99.99% uptime functional operation of the webhosting environment. The hosting environment must be functionally operational while the Contractor performs maintenance or patch management.

Damages

The failure of the Contractor to maintain the network and web environment availability required under Section 2(a)(ii) in Exhibit A, Scope of Services, may result in the assessment of liquidated damages in the amount of two (2) percent of the Contractor monthly cost for web hosting services as specified in Attachment 1, Price Sheet, after the applicable "grace period," for each hour the website is unavailable thereafter, until availability is restored.

(2) Data Breach

Condition

The Contractor must establish and maintain security standards, procedures and controls to protect the data, services and availability of the network and web environment.

Damages

The failure of the Contractor to protect data as required in Section 4(a-f) in Exhibit A, Scope of Services, may result in the assessment of liquidated damages in the amount of five thousand dollars (\$5000) per data breach.

(3) Failure to provide notifications of security breaches.

Condition

The Contractor must maintain 24 x 7 x 365 security monitoring and notify the Lottery's Contract Manager and the Lottery's Information Security Officer within 15 minutes of any breaches or other incidents affecting equipment hosting Lottery services or affecting the availability of the Lottery web environment.

Damages

The failure of the Contractor to provide security breach notifications as required under Section 4(a)(ii) in Exhibit A, Scope of Services, may result in the assessment of liquidated damages in the amount five hundred dollars (\$500) for each failure to provide the requested notification.

Exhibit C
INCOMPATIBLE ACTIVITIES AND
ETHICAL CONDUCT STANDARDS

GENERAL DISCUSSION

To maintain public confidence in the Lottery and the games, it is essential that employees conduct themselves and the business of the Lottery with honesty, integrity and impartiality. Employees must take care to avoid conflicts of interest or even the appearance of conflicts of interest by observing the rules of ethical conduct contained herein. Failure to conform to the standards set forth below may result in such disciplinary measures as the situation may warrant, including informal or formal reprimand, removal from office or termination of employment. This includes all civil service and exempt employees covered by the Lottery Act and includes contract employees.

In addition, due to the particularly sensitive nature of the Lottery and the intense public scrutiny, which the Lottery receives, and under the authority provided to the Lottery Director by the Lottery Act, some special procedures have been established for Lottery employees.

DEFINITIONS

1. Employee - Includes civil service, temporary, emergency, limited term, seasonal and exempt employees covered by the Lottery Act. Includes those persons employed under the terms of a Personal Services Contract, who are subject to all of the terms of that contract and the contract employment approval process.
2. Person - Includes individuals, firms, corporations, partnerships, associations, other governmental bodies or their agents and representatives.
3. Memorandum of Understanding Provisions - Written agreement between state and a labor organization usually for a definite term, defining conditions of employment.

POLICY GUIDELINES

1. It is the policy of the Lottery to inform its employees of activities, which are incompatible with their employment and standards for their ethical conduct as Lottery employees.
2. Managers and supervisors are responsible for ensuring that their subordinates are informed of these policies and standards. New employees are to be made aware that in accepting employment they consent to these policies and standards.
3. Employee questions concerning whether a contemplated activity is prohibited or in compliance with this statement should be directed on a confidential basis to employee's immediate supervisor or the Personnel Officer.
4. It is the policy of the Lottery that individuals convicted of any felony, any gambling-related offense (felony or misdemeanor), or any misdemeanor involving moral turpitude, dishonesty or integrity shall not be employed, appointed, or retained by the Lottery. Exceptions to this policy pertaining to misdemeanor convictions (not related to gambling

offenses) may be granted by the Lottery Director or Chief Deputy Director based on the circumstances, on a case by case basis.

5. Employees may be subject to disciplinary action for violations of the policies and standards contained in the Incompatible Activities Policy Statement (Government Code Sections 19570-19588). An employee may appeal a determination of incompatibility through the third level of review, pursuant to the employee grievance procedure.
6. Employees may request exceptions to the Incompatible Activities Policy Statement where Memorandum of Understanding provisions apply. A request for exception should be submitted, in writing, to the employee's immediate supervisor.
7. This statement and subsequent revisions will be implemented by notifying employees of the proposed statement and subsequent changes, in writing, for a period of at least 30 days prior to implementation.

STANDARDS OF CONDUCT

Pursuant to the provisions of Government Code Section 19990, and the approval of the Department of Personnel Administration, the Lottery has determined that the following activities are inconsistent, incompatible or in conflict with the duties, functions or responsibilities of its employees.

1. No employee shall use the prestige or influence of the State or the Lottery for the employee's private gain or advantage, or the private gain or advantage of another.
2. No employee shall use State time, facilities, equipment or supplies for private gain or advantage.
3. No employee shall use confidential information available by virtue of State employment for private gain or advantage or provide confidential information to persons to whom issuance of such information has not been authorized.
4. No employee shall receive or accept money or any other consideration from anyone other than the State for the performance of his/her duties as a Lottery employee or contract employee. This provision does not preclude accepting a meal in return for representing the Lottery at a conference, event, or sponsorship, or as a guest speaker.
5. No employee shall participate in any outside activity knowing that the activity may later be subject, directly or indirectly, to the control, inspection, review, audit or enforcement by the employee in the course of his/her duties at the Lottery.
6. Except as provided below, no employee shall directly or indirectly solicit, receive or pass on to other persons any gift, money, service, gratuity, favor, meal, entertainment, loan or any other thing of value with a fair market value of \$25 or more, regardless of whether the employee reciprocates with a like gift, from anyone who is doing or seeking to do business of any kind with the Lottery, or whose activities are regulated or controlled by the Lottery if the gift, money, service, gratuity, favor, meal, entertainment, loan or any other thing of value may appear to be solicited, received or passed on to another wholly

or partially because of the employee's employment with the Lottery.

Exceptions to Item 6:

1. Employees may accept items having a value of more than \$25 with the approval of the Lottery Director.
2. When attending a conference, convention, seminar or training meeting (conferences), employees may accept the following without regard to the value:
 - a. Promotional items which are generally available to all attendees.
 - b. Food, beverages and entertainment provided in hospitality suites which are generally open to all attendees.
 - c. Meals provided by conference hosts, agencies, or prospective agencies or their representatives which are generally available to attendees. For example, the meal might be considered generally available when those invited to the meal represent a number of different entities (lotteries, governmental organizations, companies, etc.).

The purpose of allowing exceptions for conference attendance is to allow open exchange of information. If an employee perceives that an invitation is extended with the specific intent to influence him/her, the employee should decline. Employees are expected to maintain honesty and integrity when deciding to accept or decline food, beverages and entertainment as part of a conference setting. (Note: When a meal is provided as part of a conference, the employee may not claim that meal as a subsistence expense.)

3. No employee or contract employee shall engage in outside employment as defined below without advising his/her manager/supervisor of such employment before starting outside employment. General prohibitions on outside employment to be enforced by the supervisor include:
 - a. Engaging in any employment outside State service, or outside the scope of the contract with the Lottery, compensated or not, which causes either physical or mental fatigue that results in less efficient performance of the employee's or contract employee's State or contract duties.
 - b. Accepting money, gifts, compensation or consideration in any form for service as an official or in any policy-making capacity in a nonprofit or volunteer organization which is involved in any way with Lottery operations within the employee's or contract employee's jurisdiction.
 - c. Accepting money, gifts, compensation or consideration in any form from a person other than the State for performing a duty which the employee, contract employee, or the Lottery would be expected to perform in the course of State or contract business.
 - d. Performing an act in other than the capacity as a State employee or contract employee knowing that such act may later be subject, directly or indirectly, to the

employee's or contract employee's control, inspection, review, audit or enforcement.

- e. Engaging in any non-State business which is otherwise clearly inconsistent, incompatible, in conflict with or inimical to his or her duties as a State employee or a contract employee.
4. Each employee who is in a position to influence Lottery decisions about a supplier of goods or services to the Lottery and who has a personal relationship with the supplier, shall immediately notify his/her supervisor of the name of the supplier and the relationship. "Personal relationship" means spouse, child, parent, sibling, household member, "significant other", business associate or personal friend. A "personal friend" is defined as any person with whom the employee is acquainted who can influence the employee to the extent of creating a conflict-of-interest situation or giving the appearance that a conflict-of-interest situation exists.
5. Subject to any other laws, rules, or regulations as pertain hereto, an employee shall devote his/her full time, attention, and efforts to his/her Lottery employment during his/her hours of duty as a Lottery employee.

POLITICAL ACTIVITIES

The law provides guidelines for employees to follow with regard to political activities. Essentially, Government Code Sections 3201-3209 provide:

1. Except as otherwise provided under Government Code Sections 3201-3209, no restriction shall be placed on the political activities of an employee.
2. No employee may knowingly solicit or receive any kind of political contribution from State employees or persons on employment lists. However, this limitation does not prohibit an employee from communicating through the mail or by other means requests for political contributions to a significant segment of the public which may include State employees.
3. No employee may use any official authority to influence or to coerce the vote or political action of any State employee or persons on an employment list. This limitation applies to urging or discouraging an individual's action.
4. An employee may solicit or receive political contributions to promote or defeat a ballot measure which affects rates of payment, hours of work, retirement, civil service or other working conditions of State employees. However, such activity is prohibited during working hours.

OTHER CONSIDERATIONS

1. The Lottery Act requires that the Director shall act, in all decisions, to promote and ensure integrity, security, honesty and fairness of the operation and administration of the Lottery. Under this authority, the Lottery Director, or designee, may evaluate the information on outside employment or current or prior relationships to determine whether there is or may be a conflict with official duties and the steps that are required to eliminate the conflict.
2. Employees are advised that the Lottery Act provides that: "A ticket or share shall not be

purchased by and a prize shall not be paid to a member of the commission, any officer or employee of the commission, any officer or employee of the Controller who is designated in writing by the Controller as having possible access to confidential lottery information, programs, or systems, or any spouse, child, brother, sister, or parent of that person who resides within the same household of the person." This provision of the Act does not apply to "in-law" or "step" relationships (e.g., stepparent, stepchild, mother-in-law, etc.). It does apply to legal adoptive relationships.

3. This statement and the specific activities set forth herein shall not be construed as the sole provisions of law or administrative rules that must be observed by the employees of the Lottery. The Lottery Director or the Commission may specify additional prohibited activities generally or for designated individuals by an order directed to the individual or persons to whom it applies.

EXCEPTIONS TO POLICY

Employees may request exceptions to this Incompatible Activity Policy Statement where Memorandum of Understanding provisions apply. A request for exception should be submitted, in writing, to the employee's immediate supervisor.

APPEAL PROCESS

1. A determination by the employee's supervisor that an activity is in conflict with the employee's duties or responsibilities may be appealed through the third level of the grievance procedure as provided below. The decision of the Lottery Director shall be final.
2. An employee may appeal a determination of incompatibility under this policy through the employee grievance procedure. However, in all cases the final level of review in the process shall be the Lottery Director or his/her designee.

QUESTIONS/MAINTENANCE

Questions regarding this policy should be directed to the Personnel Office. The Personnel Office is responsible for maintaining this policy.

REFERENCE

Government Code, Section 19990

Government Code, Sections 3201-3209

Incompatible Activities Policy Statement (Government Codes 19570-19588)

Lottery Act

Exhibit D

CALIFORNIA STATE LOTTERY ACT Government Code, Title 2, Division 1, Chapter 12.5

Section 8880.57. Disclosures

In order to allow an evaluation of the competence, integrity, and character of potential Lottery Contractors for the California State Lottery, any person, corporation, trust, association, partnership, or joint venture that submits a bid, proposal, or offer as part of procurement for a contract for any goods or services for the California State Lottery, other than materials, supplies, services, and equipment which are common to the ordinary operations of state agencies, shall comply with each of the following:

- (a) Bidders, as required by the Lottery, shall disclose the Bidder's name and address and, as applicable, the name and address of the following:
 - (1) If the Bidder is a corporation, the officers, directors, and each owner, directly or indirectly, of any equity security or other ownership interest in the corporation. However, in the case of owners of publicly held equity securities of a publicly traded corporation, only the names and addresses of those known to the corporation to beneficially own 5 percent or more of the publicly held securities need be disclosed.
 - (2) If the Bidder is a trust, the trustee and all persons entitled to receive income or benefit from the trust.
 - (3) If the Bidder is an association, the members, officers, and directors.
 - (4) If the Bidder is a subsidiary, the officers, directors, and stockholders of the parent company thereof. However, in the case of owners of publicly held equity securities of a publicly traded corporation, only the names and addresses of those known to the corporation to beneficially own 5 percent or more of the publicly held securities need be disclosed.
 - (5) If the Bidder is a partnership or joint venture, all of the general partners, limited partners, or joint venturers.
 - (6) If the parent company, general partner, limited partner, or joint venturer of any Bidder is itself a corporation, trust, association, subsidiary, partnership, or joint venture, then the disclosure of information needed to determine ultimate ownership. However, in the case of owners of publicly held equity securities of a publicly traded corporation, only the names and addresses of those known to the corporation to beneficially own 5 percent or more of the publicly held securities need be disclosed.
 - (7) If the Bidder proposes to subcontract any substantial portion of the work to be performed to a subcontractor, then all of the information required in this section shall be disclosed for the subcontractor as if it were itself a Bidder.

- (b) After receipt of a bid, proposal, or offer, but prior to the award of a contract, the Commission may

require a potential Lottery Contractor to provide any or all of the following information:

- (1) A disclosure of all the states and jurisdictions in which the Bidder does business, and the nature of that business for each state or jurisdiction.
- (2) A disclosure of all the states and jurisdictions in which the Bidder has contracts to supply gaming goods or services, including, but not limited to, lottery goods and services, and the nature of the goods or services involved for each state or jurisdiction.
- (3) A disclosure of all the states and jurisdictions in which the Bidder has applied for, has sought renewal of, has received, has been denied, has pending, or has had revoked a gaming license of any kind, and the disposition in each state or jurisdiction. If any gaming license has not been renewed or any gaming license application has been either denied or has remained pending for more than six months, all of the facts and circumstances underlying this failure to receive a gaming license shall be disclosed.
- (4) A disclosure of the details of any conviction or judgment of a state or federal court against the Bidder of any gambling-related offense, or criminal offense other than traffic violations.
- (5) A disclosure of the details of any bankruptcy, insolvency, or reorganization, or any judgment or pending litigation involving fraud or deceit against the Bidder.
- (6) A disclosure for each Bidder of the employment, residence, educational, and military history since the age of 18 years of any of its owners, directors, members, officers, employees, or agents identified by the Lottery.
- (7) A disclosure consolidating all reportable information on all reportable contributions by the Bidder to any local, state, or federal political candidate or political committee in this state for the past five years that is reportable under any existing state or federal law.
- (8) A disclosure of the identity of any entity with which the Bidder has a joint venture or other contractual arrangement to supply any state or jurisdiction with gaming goods or services, including, but not limited to, lottery goods or services; including a disclosure with regard to the entity of all of the information requested under paragraphs (1) to (8), inclusive.
- (9) In the instance of a procurement for the printing of lottery tickets, for goods or services involving the receiving or recording of number selections, or for goods or services involving the determination of winners, an additional disclosure consisting of the individual federal and state income tax returns for the past three years and a current individual financial statement for each Bidder and any of the Bidder's owners, directors, members, officers, employees, or agents identified by the Lottery. The disclosures provided in this paragraph shall be considered confidential and shall be transmitted directly to the Deputy Director for Security and the Attorney General for their review.
- (10) Any additional disclosures and information as may be appropriate for the procurement involved as determined by the Commission.

- (c) With respect to the persons or entities described in paragraphs (1) to (7), inclusive, of subdivision (a), the Commission may request the disclosure of any information required in subdivision (b),

which shall be relevant to the award of any contract.

(d) No contract with any Bidder who has not complied with the disclosure requirements described in this section shall be entered into or be enforceable. Any contract with any lottery contractor who does not comply with these requirements for maintaining the currency of the disclosures during the term of the contract as may be specified in the contract may be terminated by the Commission. In addition, the Commission may deny or cancel a contract with a lottery contractor or any of the persons or entities included in paragraphs (1) to (7), inclusive, of subdivision (a) if any of the following apply:

(1) False statements have been made in any information which is required under this section.

(2) Any of the persons or entities have been convicted of a crime punishable as a felony.

(3) Any of the persons or entities have been convicted of an offense involving dishonesty or any gambling-related offense.

(e) This section shall be construed broadly and liberally to achieve the end of full disclosure of all information necessary to allow for a full and complete evaluation of the competence, integrity, and character of potential suppliers of the California State Lottery Commission.

Rev. 1/1/05

Exhibit E

Lottery Gaming System Vendor Interface Summary

The Lottery currently receives data from the Lottery Gaming Vendor at set times every day for use on the public website. This data is sent by the Lottery Gaming Vendor to an FTP drop zone where the Lottery downloads it for processing. This data includes winning numbers and statistics for each draw of each game as well as retailer location information. The following tables summarize the sizes of the files that are received, when they are provided by the Lottery Gaming System Vendor, and which fields of data are common between the files received.

Assumptions:

1. History is to be held in the database indefinitely.
2. Data will continue to come from the Lottery Gaming System Vendor at the same time and day that is indicated here.
3. File size is estimated based on maximum number of characters allowed for each field. Does not include estimates for field separators.
4. The Game Number and Draw Number combination will be unique, although there will be duplicates of each field individually. This is true for all draw metrics including winning numbers, number of tickets won, etc.

Table 1: File Size Analysis. This table identifies the number of fields contained in each file received from the Lottery Gaming Vendor.

File	# of Alpha Fields	# of Numeric Fields	Total # of Fields	Max Field Size	Records per File	Approximate Record Size (Bytes)	Approximate File Size (bytes)	Schedule
A.1.1 Daily Derby Results	16	10	26	20	1	107	107	Daily, immediately following draw
A.1.2 SuperLOTTO Plus - Extra Rewards Results	1	19	20	9	1	158	158	Wednesday and Saturday, immediately following draw
A.1.3 Fantasy 5 Results	1	9	10	9	1	48	48	Daily, immediately following draw
A.1.4 Daily 3 Results	1	7	8	9	1	41	41	Daily, immediately following draw
A.1.5 SuperLOTTO Plus Results	1	11	12	9	1	59	59	Wednesday and Saturday, immediately following draw
A.1.6 Mega Millions Results	1	11	12	9	1	59	59	Tuesday and Friday, immediately following draw
A.1.7 Mega Millions - Xtra Rewards Results	1	19	20	9	1	158	158	Tuesday and Friday, immediately following draw
A.1.8 Raffle Game Results	2	28	30	30	1	177	177	Following scheduled Raffle draw
A.1.9 Daily 4 Game Results	1	8	9	9	1	42	42	Daily, immediately following draw
A.1.10 Bonus Play Results	2	28	30	30	1	179	179	Following scheduled MORE draw
A.2.1 Winning Locations Results (5 files)	12	3	15	30	1	175	175	Daily, immediately following draw
A.2.2 SuperLOTTO/Xtra Rewards Results	1	48	49	9	1	327	327	Wednesday and Saturday, immediately following draw
A.2.3 Fantasy 5 Results	0	17	17	9	1	112	112	Daily, immediately following draw validation
A.2.4 Daily Derby Results	5	27	32	20	1	226	226	Daily, immediately following draw validation
A.2.5 Daily 3 Results	5	10	15	9	1	96	96	Daily, immediately following draw validation
A.2.6 Mega Millions/Xtra Rewards Results	1	49	50	9	1	334	334	Tuesday and Friday, after nationwide share counts and share amounts have been entered
A.2.8 Daily 4 Results	0	16	16	9	1	97	97	Daily, immediately following draw validation
A.3 Retailer Locations	69	2	71	30	21,000	156	3276000	Weekly, Sunday prior to 6am
A.4 Winners by City	1	3	4	28	311	51	15861	Weekly, Sunday prior to 6am
A.5 Winners by County	2	3	5	15	58	41	2378	Weekly, Sunday prior to 6am
A.6 Jackpot Amounts	1	6	7	15	5	55	275	Daily, following draw validation
A.7 Scratchers Prize Information	6	26	32	30	55	296	16280	Daily

Table 2: Daily Schedule of Delivery.

This table identifies the size of the data being transferred from the Lottery Gaming Vendor on a Daily Basis.

Sunday	File Size (bytes)	Time
A.1.1 Daily Derby Results	107	6:59 PM
A.1.3 Fantasy 5 Results	48	6:59 PM
A.1.4 Daily 3 Results (Mid-day)	41	1:29 PM
A.1.4 Daily 3 Results (Evening)	41	6:59 PM
A.1.9 Daily 4 Game Results	42	6:59 PM
A.2.1 Winning Locations Results (Fan 5)	175	6:59 PM
A.2.3 Fantasy 5 Results	112	6:59 PM
A.2.4 Daily Derby Results	226	6:59 PM
A.2.5 Daily 3 Results (Mid-Day)	96	1:29 PM
A.2.5 Daily 3 Results (Evening)	96	6:59 PM
A.2.8 Daily 4 Results	97	6:59 PM
A.3 Retailer Locations	3,276,000	6:00 AM
A.4 Winners by City	15,861	6:00 AM
A.5 Winners by County	2,378	6:00 AM
A.6 Jackpot Amounts	275	8:00 PM
A.7 Scratchers Prize Information	16,280	8:00 PM
Sunday Total:	3,311,875	

Monday	File Size (bytes)	Time
A.1.1 Daily Derby Results	107	6:59 PM
A.1.3 Fantasy 5 Results	48	6:59 PM
A.1.4 Daily 3 Results (Mid-day)	41	1:29 PM
A.1.4 Daily 3 Results (Evening)	41	6:59 PM
A.1.9 Daily 4 Game Results	42	6:59 PM
A.2.1 Winning Locations Results (Fan 5)	175	6:59 PM
A.2.3 Fantasy 5 Results	112	6:59 PM
A.2.4 Daily Derby Results	226	6:59 PM
A.2.5 Daily 3 Results (Mid-Day)	96	1:29 PM
A.2.5 Daily 3 Results (Evening)	96	6:59 PM
A.2.8 Daily 4 Results	97	6:59 PM
A.6 Jackpot Amounts	275	8:00 PM
A.7 Scratchers Prize Information	16,280	8:00 PM
Monday Total:	17,636	

Tuesday	File Size (bytes)	Time
A.1.1 Daily Derby Results	107	6:59 PM
A.1.3 Fantasy 5 Results	48	6:59 PM
A.1.4 Daily 3 Results (Mid-day)	41	1:29 PM
A.1.4 Daily 3 Results (Evening)	41	6:59 PM
A.1.6 Mega Millions Results	59	8:00 PM
A.1.7 Mega Millions - Xtra Rewards Results	158	8:00 PM
A.1.9 Daily 4 Game Results	42	6:59 PM
A.2.1 Winning Locations Results (Fan 5)	175	6:59 PM
A.2.1 Winning Locations Results (MM)	175	8:00 PM
A.2.3 Fantasy 5 Results	112	6:59 PM
A.2.4 Daily Derby Results	226	6:59 PM
A.2.5 Daily 3 Results (Mid-Day)	96	1:29 PM
A.2.5 Daily 3 Results (Evening)	96	6:59 PM
A.2.6 Mega Millions/Xtra Rewards Results	334	8:00 PM
A.2.8 Daily 4 Results	97	6:59 PM
A.6 Jackpot Amounts	275	8:00 PM
A.7 Scratchers Prize Information	16,280	8:00 PM
Tuesday Total:	18,362	

Wednesday	File Size (bytes)	Time
A.1.1 Daily Derby Results	107	6:59 PM
A.1.2 SuperLOTTO Plus - Extra Rewards Results	158	7:57 PM
A.1.3 Fantasy 5 Results	48	6:59 PM
A.1.4 Daily 3 Results (Mid-day)	41	1:29 PM
A.1.4 Daily 3 Results (Evening)	41	6:59 PM
A.1.5 SuperLOTTO Plus Results	59	7:57 PM
A.1.9 Daily 4 Game Results	42	6:59 PM
A.2.1 Winning Locations Results (SLP)	175	7:57 PM
A.2.1 Winning Locations Results (Fan 5)	175	6:59 PM
A.2.2 SuperLOTTO/Xtra Rewards Results	327	7:57 PM
A.2.3 Fantasy 5 Results	112	6:59 PM
A.2.4 Daily Derby Results	226	6:59 PM
A.2.5 Daily 3 Results (Mid-Day)	96	1:29 PM
A.2.5 Daily 3 Results (Evening)	96	6:59 PM

A.2.8 Daily 4 Results	97	6:59 PM
A.6 Jackpot Amounts	275	8:00 PM
A.7 Scratchers Prize Information	16,280	8:00 PM
Wednesday Total:	18,355	

	File Size (bytes)	Time
Thursday		
A.1.1 Daily Derby Results	107	6:59 PM
A.1.3 Fantasy 5 Results	48	6:59 PM
A.1.4 Daily 3 Results (Mid-day)	41	1:29 PM
A.1.4 Daily 3 Results (Evening)	41	6:59 PM
A.1.9 Daily 4 Game Results	42	6:59 PM
A.2.1 Winning Locations Results (Fan 5)	175	6:59 PM
A.2.3 Fantasy 5 Results	112	6:59 PM
A.2.4 Daily Derby Results	226	6:59 PM
A.2.5 Daily 3 Results (Mid-Day)	96	1:29 PM
A.2.5 Daily 3 Results (Evening)	96	6:59 PM
A.2.8 Daily 4 Results	97	6:59 PM
A.6 Jackpot Amounts	275	8:00 PM
A.7 Scratchers Prize Information	16,280	8:00 PM
Thursday Total:	17,636	

Friday	File Size (bytes)	Time
A.1.1 Daily Derby Results	107	6:59 PM
A.1.3 Fantasy 5 Results	48	6:59 PM
A.1.4 Daily 3 Results (Mid-day)	41	1:29 PM
A.1.4 Daily 3 Results (Evening)	41	6:59 PM
A.1.6 Mega Millions Results	59	8:00 PM
A.1.7 Mega Millions - Xtra Rewards Results	158	8:00 PM
A.1.9 Daily 4 Game Results	42	6:59 PM
A.2.1 Winning Locations Results (Fan 5)	175	6:59 PM
A.2.1 Winning Locations Results (MM)	175	8:00 PM
A.2.3 Fantasy 5 Results	112	6:59 PM
A.2.4 Daily Derby Results	226	6:59 PM
A.2.5 Daily 3 Results (Mid-Day)	96	1:29 PM
A.2.5 Daily 3 Results (Evening)	96	6:59 PM
A.2.6 Mega Millions/Xtra Rewards Results	334	8:00 PM
A.2.8 Daily 4 Results	97	6:59 PM
A.6 Jackpot Amounts	275	8:00 PM
A.7 Scratchers Prize Information	16,280	8:00 PM
Friday Total:	18,362	

Saturday	File Size (bytes)	Time
A.1.1 Daily Derby Results	107	6:59 PM
A.1.2 SuperLOTTO Plus - Extra Rewards Results	158	7:57 PM
A.1.3 Fantasy 5 Results	48	6:59 PM
A.1.4 Daily 3 Results (Mid-day)	41	1:29 PM
A.1.4 Daily 3 Results (Evening)	41	6:59 PM
A.1.5 SuperLOTTO Plus Results	59	7:57 PM
A.1.9 Daily 4 Game Results	42	6:59 PM
A.2.1 Winning Locations Results (SLP)	175	7:57 PM
A.2.1 Winning Locations Results (Fan 5)	175	6:59 PM
A.2.2 SuperLOTTO/Xtra Rewards Results	327	7:57 PM
A.2.3 Fantasy 5 Results	112	6:59 PM
A.2.4 Daily Derby Results	226	6:59 PM
A.2.5 Daily 3 Results (Mid-Day)	96	1:29 PM
A.2.5 Daily 3 Results (Evening)	96	6:59 PM
A.2.8 Daily 4 Results	97	6:59 PM
A.6 Jackpot Amounts	275	8:00 PM
A.7 Scratchers Prize Information	16,280	8:00 PM
Saturday Total:	18,355	

Table 3: Common Field Analysis.

This table identifies the fields that are common between each of the files received from the Lottery Gaming Vendor.

	A.1.1	A.1.2	A.1.3	A.1.4	A.1.5	A.1.6	A.1.7	A.1.8	A.1.9	A.1.10	A.2.1	A.2.2	A.2.3	A.2.4	A.2.5	A.2.6	A.2.8	A.3	A.4	A.5	A.6	A.7
Draw Date	x	x	x	x	x	x	x	x	x	x		x	x	x	x	x	x				x	
Week Day	x		x	x					x													
Draw Number	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x	x				x	
First Horse Number	x													x								
First Horse Name	x													x								
Second Horse Number	x													x								
Second Horse Name	x													x								
Third Horse Number	x													x								
Third Horse Name	x													x								
Race Time 1	x																					
Race Time 2	x																					
Race Time 3	x																					
Last Update Date	x	x	x	x	x	x	x		x		x	x	x	x	x	x	x	x	x	x	x	
Last Update Time	x	x	x	x	x	x	x		x		x	x	x	x	x	x	x	x	x	x	x	
Draw Week Day		x			x	x	x	x		x												
Xtra Result1		x					x					x				x						
Xtra Result2		x					x					x				x						
Xtra Result3		x					x					x				x						
Xtra Result4		x					x					x				x						
Xtra Result5		x					x					x				x						
Xtra Result6		x					x					x				x						
Xtra Result7		x					x					x				x						
Xtra Result8		x					x					x				x						
Xtra Result9		x					x					x				x						
Xtra Result10		x					x					x				x						
Xtra Result11		x					x					x				x						
Xtra Result12		x					x					x				x						

	A.1.1	A.1.2	A.1.3	A.1.4	A.1.5	A.1.6	A.1.7	A.1.8	A.1.9	A.1.10	A.2.1	A.2.2	A.2.3	A.2.4	A.2.5	A.2.6	A.2.8	A.3	A.4	A.5	A.6	A.7
Xtra Result13		x					x					x				x						
Xtra Result14		x					x					x				x						
Xtra Result15		x					x					x				x						
Result 1			x	x	x	x			x			x	x		x	x	x					
Result2			x	x	x	x			x			x	x		x	x	x					
Result3			x	x	x	x			x			x	x		x	x	x					
Result4			x		x	x			x			x	x			x	x					
Result5			x		x	x						x	x			x						
Mega Result					x	x						x				x						
Amount					x	x																
Record Type								x		x												x
File Format Version								x		x												x
Creation Date								x		x												x
Creation Time								x		x												x
File Descriptor								x		x												x
Grand Prize Count								x		x												
Grand Prize Amount								x		x												
MaxDiv								x		x												
Division 1 Count								x		x												
Division 2 Count								x		x												
Division 3 Count								x		x												
Division 4 Count								x		x												
Division 5 Count								x		x												
Division 6 Count								x		x												
Division 7 Count								x		x												
Division 8 Count								x		x												
Division 9 Count								x		x												

	A.1.1	A.1.2	A.1.3	A.1.4	A.1.5	A.1.6	A.1.7	A.1.8	A.1.9	A.1.10	A.2.1	A.2.2	A.2.3	A.2.4	A.2.5	A.2.6	A.2.8	A.3	A.4	A.5	A.6	A.7
Division 10 Count								x		x												
Division Number								x		x												
Raffle Number								x														
Share Value								x		x												
Bonus Play Number										x												
Retailer ID											x							x				
Game Number											x										x	x
Prize Category Code											x											
Winning Raffle Number											x											
Retailer Name											x							x				
Retailer Address Line 1											x							x				
Retailer Address Line 2											x							x				
Retailer City											x							x	x			
Retailer County Code											x							x		x		
Retailer State											x											
Retailer Zip Code											x							x				
Retailer Zip Code last 4											x							x				
Mega Number Indicator												x				x						
5 of 5 + Mega Count												x				x						
5 of 5 Prize Amount												x				x						
5 of 5 Only Count												x				x						
5 of 5 Only Prize Amount												x				x						
4 of 5 + Mega Count												x				x						

	A.1.1	A.1.2	A.1.3	A.1.4	A.1.5	A.1.6	A.1.7	A.1.8	A.1.9	A.1.10	A.2.1	A.2.2	A.2.3	A.2.4	A.2.5	A.2.6	A.2.8	A.3	A.4	A.5	A.6	A.7
4 of 5 + Mega Prize Amount												x				x						
4 of 5 Only Mega Count												x				x						
4 of 5 Only Mega Prize Amount												x				x						
3 of 5 + Mega Count												x				x						
3 of 5 + Mega Prize Amount												x				x						
3 of 5 Only Mega Count												x				x						
3 of 5 Only Mega Prize Amount												x				x						
2 of 5 + Mega Count												x				x						
2 of 5 + Mega Prize Amount												x				x						
1 of 5 + Mega Count												x				x						
1 of 5 + Mega Prize Amount												x				x						
Mega Only Count												x				x						
Mega Only Prize Amount												x				x						
Mega Number Promotion Amount												x				x						
Mega Number Promotion Count												x				x						
Xtra Rewards Promotion Amount												x				x						
Xtra Rewards Promotion Count												x				x						
Jackpot Amount												x	x			x					x	

	A.1.1	A.1.2	A.1.3	A.1.4	A.1.5	A.1.6	A.1.7	A.1.8	A.1.9	A.1.10	A.2.1	A.2.2	A.2.3	A.2.4	A.2.5	A.2.6	A.2.8	A.3	A.4	A.5	A.6	A.7
5 of 5 Count													x									
5 of 5 Prize Amount													x									
4 of 5 Count													x									
4 of 5 Prize Amount													x									
3 of 5 Count													x									
3 of 5 Prize Amount													x									
2 of 5 Count													x									
2 of 5 Prize Amount													x									
Minute													x									
Minute Break													x									
Seconds													x									
Seconds Break													x									
Hundredths of Seconds													x									
Race Time Seconds													x									
Race Time Hundredths of Seconds													x									
Win Prize Count													x									
Win Prize Amount													x									
Exacta Prize Count													x									
Exacta Prize Amount													x									
Trifecta Prize Count													x									
Trifecta Prize Amount													x									
Race Time Prize Count													x									
Race Time Prize Amount													x									
Win and Race Time Count													x									
Win and Race Time Amount													x									

	A.1.1	A.1.2	A.1.3	A.1.4	A.1.5	A.1.6	A.1.7	A.1.8	A.1.9	A.1.10	A.2.1	A.2.2	A.2.3	A.2.4	A.2.5	A.2.6	A.2.8	A.3	A.4	A.5	A.6	A.7
Exacta and Race Time Count													x									
Exacta and Race Time Amount													x									
Grand Prize Count													x									
Grand Prize Amount													x									
Grand Prize Pool Amount													x									
Straight Prize Count													x				x					
Straight Prize Amount													x				x					
Box Prize Count													x				x					
Box Prize Amount													x				x					
Straight/Box Prize Count													x				x					
Straight/Box Prize Amount													x				x					
Straight/Box Box Only Prize Count													x				x					
Straight/Box Box Only Prize Amount													x				x					
All Game Flag																		x				
Instant Only Flag																		x				
Hot Spot Flag																		x				
Lotto Jackpot Winner Count/City																						
County Name																				x		
Lotto Jackpot Winner Count/County																				x		
Game Name																					x	x
Number of Tiers																						x
Vendor Name																						x

	A.1.1	A.1.2	A.1.3	A.1.4	A.1.5	A.1.6	A.1.7	A.1.8	A.1.9	A.1.10	A.2.1	A.2.2	A.2.3	A.2.4	A.2.5	A.2.6	A.2.8	A.3	A.4	A.5	A.6	A.7
Price Point																						x
Game Status																						x
Val Start Date																						x
Val End Date																						x
Inv Start Date																						x
Inv End Date																						x
Dis Start Date																						x
Dis End Date																						x
Tier Number																						x
Tier Code																						x
Tier Level																						x
Tier Type																						x
Tier Description																						x
Tier Value																						x
Tier Total Number of Prizes																						x
Tier Total Cashed Count																						x
Tier Odds																						x

ATTACHMENT 1

PRICE SHEET

The rates below shall include all costs associated with performance under this contract for the Lottery website design, development, implementation and hosting services and shall include all administrative overhead/ support costs, all applicable taxes, any other direct and indirect costs, and profit needed to perform the specified services in Exhibit A, Scope of Services.

I. Cost of Services

A. Web Hosting:

Cost per month \$ _____

Provide the monthly cost to setup, maintain, and support the PWS production and testing environments, the PWS database, and the CMS repository including servers, disk space, cpu, memory, web services, diagnostic monitoring and alerting, security monitoring, controlled patching, backup, reporting and all other associated costs.

B. Software Licenses and Product Upgrades

Total cost \$ _____

Specify the product, quantity, and unit price for each tool and application that will be used to support the PWS environment. In addition, provide the cost to stay current with software upgrades during the three year duration of the contract. The Lottery intends to selectively purchase software products. For some products, the Lottery may receive better pricing through the State's existing purchasing agreement with software vendors. For any software product which the bidder submits a lower cost bid than what the Lottery can obtain through its existing purchasing agreement, the Lottery will request the Integrator to purchase the software product and transfer the license to the State.

Product	Quantity	Unit Cost	Total Cost
			\$
			\$
			\$
			\$
			\$
			\$
			\$
			\$
			\$
			\$
			\$
			\$
			\$
			\$
Software Licenses Subtotal:	N/A	N/A	\$
Product Upgrade Services:	N/A	N/A	\$
Total Software Licenses and Upgrades:	N/A	N/A	\$

C. PWS Design, Development and Implementation

Total cost \$ _____

Provide the total cost to design, develop, and implement the PWS including project management, design specifications and mockups, information architecture, programming and configuration, documentation, training, and testing.

D. Transition Services

Hourly rate \$ _____

Provide the hourly rate for transition services. At the Lottery's request, the Integrator may be asked to provide transition services necessary to migrate certain content and data from the existing web environment onto the Integrator's hosted environment.

E. Spanish version of the PWS

The Lottery would like to compare the cost of a subset Spanish website versus a fully functional Spanish website. Upon contract award, the Lottery will negotiate the degree of Spanish language functionality that will be developed with the contract awardee.

Provide the cost for a subset Spanish website.

Total cost \$ _____

Provide the cost for a fully functional Spanish website.

Total cost \$ _____

F. New Functionality

Hourly rate \$ _____

Provide the hourly rate to make changes or add new functionality, including providing any necessary training to Lottery staff on new functionality and following testing requirements prior to release on the production environment.

II. Optional Services:

Bidders are not required to submit specification and pricing for optional services.

A. Spanish Localization Services:

Hourly rate \$ _____

Provide the hourly cost for Spanish localization services.

B. Other Associated Services offered by Bidder:

Cost/Rate \$ _____

The bidder may offer other associated services not identified in this RFP. For each optional service offered, describe the service and provide the associated cost scenario that best fits the service (one-time, hourly, monthly, etc.)

Description of Offered Service #1

Cost or Rate \$ _____

Description of Offered Service #2

Cost or Rate \$ _____

I, _____, certify that I am authorized to sign this Price Sheet and that
(type or print name)

the prices set forth are accurate, competitive, and unconditional. I further certify these prices constitute an irrevocable offer which the California State Lottery may, at its option, accept or reject at any time up to one hundred eighty (180) days from the date that responses to this RFP are due, and that these prices will remain effective for the entirety of the contract term and any extensions thereto.

Signature

Date:

Title Company Name

ATTACHMENT 2

CERTIFICATION (Page 1 of 6)

I. BIDDER INFORMATION

Name of Bidder: _____

Address: _____

State/City/Zip Code: _____

Contact Person: _____ Telephone: _____

Email: _____ FAX: _____

List person(s) legally authorized to contractually bind the Bidder.

1. _____
(Name) (Title)

(Address)

2. _____
(Name) (Title)

(Address)

(Attach additional pages if needed.)

II. BIDDER CERTIFICATION

By executing this Certification, the Bidder acknowledges that failure to comply with any of this Certification's terms may result in disqualification from participation in the solicitation. The Bidder has reviewed, agrees to and certifies the following:

- a. The Bidder meets all minimum qualifications specified in the section entitled "Bidder Qualifications".
- b. The Bidder agrees the Lottery shall not be liable for any of the costs incurred by Bidder in preparing, submitting, or otherwise participating in a response to this solicitation.
- c. The Bidder's response to the solicitation constitutes an irrevocable offer for 180 days following the date proposals are due to the Lottery.
- d. The Bidder has made no attempt to induce any other person or entity to submit or not to submit a proposal.

ATTACHMENT 2

CERTIFICATION (Page 2 of 6)

- e. The prices in the proposal have been developed and calculated independently, without consultation, communication or agreement on any matter relating to such prices with any other agency or competitor for the purpose of restricting competition or providing a competitive advantage.
- f. The Bidder has read the solicitation, understands it and agrees to comply with all Terms and Conditions.
- g. The Bidder agrees to provide insurance/bond coverage as described in the Contract Terms and Conditions.
- h. Recognizing that initial payments to the Contractor may be delayed approximately forty-five (45) days, the Bidder has sufficient resources to meet his/her obligations during this forty-five day period.

III. CONTRACTOR CERTIFICATION CLAUSES

By executing this Certification, the prospective Contractor or his legally authorized representative, certifies under the penalty of perjury that the prospective Contractor has reviewed and agrees to be legally bound to the following Contractor Certification Clauses.

- A. STATEMENT OF COMPLIANCE: Contractor has, unless exempted, complied with the nondiscrimination program requirements. (Gov. Code §12990 (a-f) and CCR, Title 2, Section 8103) (Not applicable to public entities.)
- B. DRUG-FREE WORKPLACE REQUIREMENTS: Contractor will comply with the requirements of the Drug-Free Workplace Act of 1990 and will provide a drug-free workplace by taking the following actions:
 - 1. Publish a statement notifying employees that unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited and specifying actions to be taken against employees for violations.
 - 2. Establish a Drug-Free Awareness Program to inform employees about:
 - a. the dangers of drug abuse in the workplace;
 - b. the person's or organization's policy of maintaining a drug-free workplace;
 - c. any available counseling, rehabilitation and employee assistance programs; and,
 - d. penalties that may be imposed upon employees for drug abuse violations.

ATTACHMENT 2

CERTIFICATION (Page 3 of 6)

3. Every employee who performs work pursuant to the proposed Agreement will:
- receive a copy of the company's drug-free workplace policy statement; and,
 - agree to abide by the terms of the company's statement as a condition of employment on the Agreement.

Failure to comply with these requirements may result in suspension of payments under the Agreement or termination of the Agreement or both and Contractor may be ineligible for award of any future State agreements if the department determines that any of the following has occurred: the Contractor has made false certification, or violated the certification by failing to carry out the requirements as noted above. (Gov. Code §8350 et seq.)

- C. NATIONAL LABOR RELATIONS BOARD CERTIFICATION: Contractor certifies that no more than one (1) final unappealable finding of contempt of court by a Federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of a Federal court, which orders Contractor to comply with an order of the National Labor Relations Board. (Pub. Contract Code §10296) (Not applicable to public entities.)

D. SWEATFREE CODE OF CONDUCT:

1. All Contractors contracting for the procurement or laundering of apparel, garments or corresponding accessories, or the procurement of equipment, materials, or supplies, declare under penalty of perjury that no apparel, garments or corresponding accessories, equipment, materials, or supplies furnished to the state pursuant to the contract have been or will be produced or laundered in whole or in part by sweatshop labor, forced labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor, or with the benefit of sweatshop labor, forced labor, indentured labor under penal sanction, abusive forms of child labor or exploitation of children in sweatshop labor. The contractor further declares under penalty of perjury that it adheres to the Sweat free Code of Conduct as set forth on the California Department of Industrial Relations website located at www.dir.ca.gov.
2. The contractor agrees to cooperate fully in providing reasonable access to the contractor's records, documents, agents or employees, or premises if reasonably required by authorized officials of the contracting agency, the Department of Industrial Relations, or the Department of Justice to determine the contractor compliance with the requirements under paragraph 1.

- E. DOMESTIC PARTNERS: For contracts executed or amended after July 1, 2004, the contractor may elect to offer domestic partner benefits to the contractor's employees. The contractor cannot require an employee, on the basis of marital or domestic partner status, to cover the costs of providing any benefits which have otherwise been provided to all employees.

ATTACHMENT 2

CERTIFICATION (Page 4 of 6)

IV. DOING BUSINESS WITH THE STATE OF CALIFORNIA

The following laws apply to persons or entities doing business with the State of California.

- A. CONFLICT OF INTEREST: Contractor is aware of the following provisions regarding current or former state employees. If Contractor has any questions on the status of any person rendering services or involved with the Agreement, the awarding agency must be contacted immediately for clarification.

Current State Employees:

1. No officer or employee shall engage in any employment, activity or enterprise from which the officer or employee receives compensation or has a financial interest and which is sponsored or funded by any state agency, unless the employment, activity or enterprise is required as a condition of regular state employment.
2. No officer or employee shall contract on his or her own behalf as an independent contractor with any state agency to provide goods or services.

Former State Employees:

1. For the two-year period from the date he or she left state employment, no former state officer or employee may enter into a contract in which he or she engaged in any of the negotiations, transactions, planning, arrangements or any part of the decision-making process relevant to the contract while employed in any capacity by any state agency.
2. For the twelve-month period from the date he or she left state employment, no former state officer or employee may enter into a contract with any state agency if he or she was employed by that state agency in a policy-making position in the same general subject area as the proposed contract within the 12-month period prior to his or her leaving state service.
3. If Contractor violates any provisions of the above paragraphs, such action by Contractor shall render this Agreement void.
4. Members of boards and commissions are exempt from this section if they do not receive payment other than payment of each meeting of the board or commission, payment for preparatory time and payment for per diem.

ATTACHMENT 2

CERTIFICATION (Page 5 of 6)

- B. LABOR CODE/WORKERS' COMPENSATION: Contractor is aware of the provisions which require every employer to be insured against liability for Worker's Compensation or to undertake self-insurance in accordance with the provisions, and Contractor affirms to comply with such provisions before commencing the performance of the work of this Agreement. (Labor Code Section 3700)
- C. AMERICANS WITH DISABILITIES ACT: Contractor assures the State that it complies with the Americans with Disabilities Act (ADA) of 1990, which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA. (42 U.S.C. 12101 et seq.)
- D. CORPORATE QUALIFICATIONS TO DO BUSINESS IN CALIFORNIA:
1. The Contractor certifies it is currently qualified to do business in California in order to ensure that all obligations due to the state are fulfilled.
 2. The Contractor certifies that it is in good standing with the California Secretary of State's Office.
- E. AIR OR WATER POLLUTION VIOLATION: The Contractor shall not be: (1) in violation of any order or resolution not subject to review promulgated by the State Air Resources Board or an air pollution control district; (2) subject to cease and desist order not subject to review issued pursuant to Section 13301 of the Water Code for violation of waste discharge requirements or discharge prohibitions; or (3) finally determined to be in violation of provisions of federal law relating to air or water pollution.
- F. PAYEE DATA RECORD FORM STD. 204: This form must be completed by all contractors that are not another state agency or other governmental entity.

V. CONFIDENTIALITY STATEMENT

- A. I warrant that the *Contractor/Bidder* and its employees will not disclose any document, diagrams, and relative information, made available to it by the Lottery for the purpose of responding to this solicitation or in conjunction with any contract arising there from. I warrant that only those employees who are authorized and required to use such material will have access to them.

ATTACHMENT 2

CERTIFICATION (Page 6 of 6)

- B. I further warrant that all materials provided by the Lottery will be returned promptly after use and all copies or derivations of the materials will be physically and/or electronically destroyed. I will include with the returned materials, a letter attesting to the complete return of materials and documenting the destruction of copies and derivations. Failure to comply will subject this company to liability, both criminal and civil, including all damages to the Lottery and third parties. I authorize the Lottery to inspect and verify the above.
- C. I further warrant that if awarded the contract, *Contractor/Bidder* will not disclose to any third party information pertaining to the contract prior to receiving the written consent of the Lottery, and written confirmation from the Lottery that such third party has entered into a written agreement with the Lottery governing the conditions under which such third party may receive information from *Contractor/Bidder* pertaining to the contract.

I, the official named below, CERTIFY UNDER PENALTY OF PERJURY that I am duly authorized to legally bind the Bidder and prospective Contractor to the clause(s) listed above and that the signature affixed below and dated constitutes a certification that all information provided by the Bidder and prospective Contractor, is true and correct as written and made under the laws of the State of California.

<i>Contractor/Bidder Firm Name (Printed)</i>
<i>By (Authorized Signature)</i>
<i>Printed Name and Title of Person Signing</i>
<i>Date Executed</i>

ATTACHMENT 3**Guaranty
(Page 1 of 2)**

This Guaranty is to be completed by the Bidder or parent company of Bidder. Check one of the boxes (A or B) below. The Bidder or parent company must sign the Guaranty as appropriate and submit this Guaranty with its proposal package.

- ☐ A. In the event that the Bidder is not a subsidiary corporation, it will be deemed that the Bidder guarantees performance under any contract resulting from this RFP with the full force and credit of all its assets.
- ☐ B. If the Bidder is a subsidiary corporation, it must have this Guaranty completed by the parent corporation to guaranty the full and prompt performance of all covenants, terms and conditions, and contracts resulting from this RFP for the term of the contract.
1. The parent company _____ (company name) has the financial ability to meaningfully support such guaranty;
 2. The official signing of this Guaranty is authorized to bind the guarantor corporation;
 3. Accepts unconditional responsibility for all performance and financial requirements and obligations of the contract;
 4. For good and valuable consideration, receipt of which is hereby acknowledged, the Guarantor is making the guaranty;
 5. The Guarantor stipulates that if the contract is ultimately awarded to the subsidiary, the Lottery will do so in reliance upon the guaranty;
 6. The undersigned corporate officer warrants (1) that he or she has personally reviewed all pertinent corporate documents, including but not limited to articles of incorporation, bylaws and agreements between the parent and the subsidiary; and (2) that nothing in these documents in any way limits the capacity of the parent to enter into the contract or guaranty;

ATTACHMENT 3

Guaranty
(Page 2 of 2)

7. The Lottery need not take any action against the Bidder, any other guarantor, or any other person, firm, or corporation, or resort to any security held by it at any time before proceeding against the Guarantor and the Guarantor hereby waives any and all notices and demands which may be required to be given by any other statute or rule of law and agrees that its liability hereunder will be in no way affected, diminished, or released by any extension of time, forbearance, or waiver which may be granted the Bidder, its successor, or assignee, and that this guaranty will extend to and include all future amendments, modifications, and extensions of the contract and all future supplemental and other agreements with respect to matters covered by the contract which the Lottery and Bidder may enter into, with or without notice to or knowledge of Guarantor but Guarantor will have the benefit of any such extension, forbearance, waiver, amendment, modifications, or supplemental obligations of Guarantor hereunder will be coextensive with but not in excess of the obligations of its successor or assignee under the contract.

Guarantor agrees that unless otherwise agreed to by the Lottery the guaranty must continue in full force and effect despite any change in the legal or corporate status of the subsidiary, including but not limited to its sale, reorganization, dissolution or bankruptcy.

I, _____, certify that I am authorized to sign and bind my company to this Guaranty.

Signature of Authorized Representative

Date

Company Name



ATTACHMENT 4

(Page 1 of 5)

RFP #4232

Public Website Design, Development,
Implementation and Hosting Services

MANDATORY

DISABLED VETERAN BUSINESS
ENTERPRISE PARTICIPATION

3%

OR

GOOD FAITH EFFORT

ATTACHMENT 4

MANDATORY DISABLED VETERAN BUSINESS ENTERPRISE PARTICIPATION (Page 2 of 5)

Instructions

The State of California recognizes disabled veterans for their service by establishing the Disabled Veteran Business Enterprise (DVBE) Participation Program. The program is intended to further veteran's participation in state contracting, promote competition and encourage greater economic opportunity.

Military and Veterans Code, section 999.2 et. seq. requires the Lottery to attain a DVBE goal of three percent (3%) per year. The goal applies to a Bidder's total yearly dollar amount expenditure. Departments have the discretion to include the participation within individual contracts.

The Lottery has set the DVBE requirement at 3% for this RFP. Bidders may meet this requirement by contracting with DVBE subcontractors or by qualifying as a DVBE. DVBEs must perform a commercially useful function related to the bids specifications. The Lottery will assess whether Bidders have met the 3% requirement by comparing Bidders' stated DVBE percentage from its Subcontractor Form(s) to the Bidder's Price Sheet. Bidders may also meet the DVBE requirement by documenting that they have made a Good Faith Effort (as described below).

A DVBE may also qualify as a small business if it independently meets the Small Business Participation Program requirements (see Attachment 6).

All Good Faith Effort steps as listed below (a through d) are mandatory. **If Step b is identified as optional, all other steps must still be completed:**

- a. Contact state (Department of General Services' Website, www.dgs.ca.gov), or the Lottery's Contract and Procurement Services Section or federal agencies or DVBE organizations, etc., to identify and recruit DVBEs.
- b. **(Mandatory)**: Bidders must publish two (2) ads: one (1) each in a trade paper or publication and one (1) in a focus DVBE paper or publication, unless the trade paper or publication is a dual purpose fulfilling both trade and focus requirements (in which case one (1) ad is acceptable).
- c. Document that invitations to bid were submitted to potential DVBE Contractors and that the DVBEs were contacted (attach list of contacts and/or attempted contacts made).
- d. Identify any responding DVBE(s) by filling out the appropriate DVBE attachments to reflect the percentage of DVBE participation achieved.

To be eligible for certification as a Disabled Veteran Business Enterprise, your business:

- Must be at least 51% owned by one or more disabled veterans;

ATTACHMENT 4

MANDATORY DISABLED VETERAN BUSINESS ENTERPRISE PARTICIPATION (Page 3 of 5)

- Your daily business operations must be managed and controlled by one of more disabled veterans [the disabled veteran(s) who manages and controls the business is not required to be the disabled veteran business owner(s)], and,
- Your home office shall be located in the U.S. (the home office cannot be a branch or subsidiary of a foreign corporation, foreign firm, or other foreign-based business).
- For certification purposes, a “disabled veteran” is: A veteran of the U.S. military, naval, or air service; has a service-connected disability of at least 10% or more; and shall be a California resident.

DVBE firms or subcontractors must currently be certified (or document that certification is pending) by the Department of General Services. Bidders must provide a copy of the certification and the attached Disabled Veteran Business Enterprise forms. Contact the Department of General Services DVBE with certification process questions, or visit DGS's Website at www.dgs.ca.gov.

The successful Bidder must provide annual DVBE reports upon contract execution, to the Lottery's Contract and Procurement Services Section.

(Revised 05/06)



ATTACHMENT 4

DISABLED VETERAN BUSINESS ENTERPRISE (DVBE) SUBCONTRACTORS TO BE UTILIZED (Page 4 of 5)

*Complete and sign this form for each DVBE subcontractors to be utilized.
Please duplicate this page for additional DVBE businesses.*

Name of DVBE _____ Contact Person _____

Address _____

City/State/Zip _____ Email _____

Telephone _____ Fax _____

Goods/Services to be provided _____

Percentage of Participation _____ %

Certifying Bidder _____ Certification # _____
(include copy of certification document)

Type of Business: Sole Owner _____ Corporation _____ Joint Venture _____
Partnership _____ Other _____

By signing below, the Bidder indicates its intent to utilize the DVBE(s) identified above as part of the contract associated with this solicitation, as applicable. The Bidder also certifies that all information contained herein is true and correct.

Bidder's Authorized Signature

Date

Printed Name

Company Name

By signing below, the DVBE certifies it has been contacted, and has expressed interest in participating in the contract in the area of work identified. This form must be signed by the person legally authorized to contractually bind the Bidder.

DVBE's Authorized Signature

Date

Printed Name

Company Name



**ATTACHMENT 4
DECLARATION OF COMPLIANCE
FOR DISABLED VETERAN BUSINESS
ENTERPRISE (DVBE) PARTICIPATION
(Page 5 of 5)**

Complete and sign this form certifying all the information is true and correct. This form must be signed by the person legally authorized to contractually bind the Bidder.

Declaration

I declare under penalty of perjury that the information provided in this Attachment is true and correct.
(Please check only one)

_____ Check this box if your firm is itself a certified Disabled Veteran Business Enterprise.

OR

_____ Check this box if your firm will provide DVBE subcontracting participation of 3% or more under any contract resulting from this procurement. (Note – Compliance with Good Faith Effort steps optional and not evaluated if participation is 3% or more)

OR

_____ Check this box only if your firm will be subcontracting less than 3% participation under a contract resulting from this procurement, but your firm completed the Good Faith Effort steps and will subcontract ____% (less than 3 but more than zero) participation. (Note - Compliance with Good Faith Effort steps will be evaluated)

OR

_____ Check this box if your firm completed the Good Faith Effort steps required, but is unable to provide DVBE participation. (Note - Compliance with Good Faith Effort steps will be evaluated)

Executed on _____ in the City of _____ State of _____
Month/Date/Year

Bidder's Name _____

Address _____

Signature _____ Date: _____
Authorized Representative

Printed Name _____

Title _____

Telephone _____ Fax _____



ATTACHMENT 5

(Page 1 of 7)

RFP #4232

Public Website Design, Development,
Implementation and Hosting Services

OPTIONAL

SMALL AND MICROBUSINESS
PARTICIPATION (SMP)

Small Business Preference (SBP)
Non-small Business Preference

SBP Goal 25%

ATTACHMENT 5

SMALL AND MICROBUSINESS PARTICIPATION (SMP) (Page 2 of 7)

Small Business Preferences/Definition

The Small Business Procurement and Contract Act (Gov. Code Section 14835 et. seq.) requires that a fair share of the State's purchases and contracts for goods, information technology, services and construction be placed with small business or microbusiness. In order to facilitate the participation of these businesses, the Act requires state agencies to: (1) establish small business participation goals, (2) provide a 5% small business preference; and (3) provide a nonsmall business preference of up to a maximum of 5% for Bidders utilizing small business or microbusiness as subcontractors.

Small Business Participation Goal and Small Business or Microbusiness Bidder Preference

Based upon the nature of the goods/services to be utilized under this solicitation (as outlined in the Scope of Services, Exhibit A), the Lottery has set a Small Business Participation Goal of 25%. Bidders who qualify as a small or microbusiness have met this participation goal by virtue of their small business status.

For bid evaluation purposes, where there is at least one non-small business Bidder subcontracting at least 25% of its bid amount to one or more small businesses, the Lottery will calculate the preference by computing an amount not to exceed 5% from the lowest, responsible bid of a non-small business Bidder that is not a small business, or that is not subcontracting to a small business. The preference amount will be deducted from the bids of the non-small business Bidder's subcontracting at least 25% of their bid amounts to small businesses.

For bid evaluation purposes, where there is at least one small business Bidder, the Lottery will calculate the preference by computing an amount not to exceed 5% from the lowest, responsible bid of a non-small business Bidder that is not a small business. The preference amount will be deducted from the small business' bid amount.

During the contract term, the contractor's SBP compliance will be calculated based on the contractor's completed work as verified by an audit of contractor's invoices and contractor's payments to designated subcontractors.

Definition

To be eligible for the Small Business Preference as a "small business", a company must be an independently owned and operated business, not dominant in its field of operation, with its principal place of business located in California and officers domiciled in California, and which together with affiliates is:

- A service, construction or non-manufacturer with 100 or fewer employees and an average annual gross receipts of Twelve million dollars (\$12,000,000) or less over the previous three years, **or**

ATTACHMENT 5

SMALL AND MICROBUSINESS PARTICIPATION (SMP) (Page 3 of 7)

- A manufacturer with 100 or fewer employees A manufacturer is a business that is:
 - (1) Primarily engaged in the chemical or mechanical transformation of raw materials or processed substances into new products; and
 - (2) Classified between Codes 2000 to 3999, inclusive, of the Standard Industrial Classification (SIC) Manual published by the United States Office of Management and Budget, 1987 edition.

A "microbusiness" is a small business that, together with affiliates, has average annual gross receipts of two million seven hundred fifty thousand dollars (\$2,750,000) or less over the previous three years, or is a manufacturer, as defined above, with 25 or fewer employees.

If a proposing Bidder is currently certified as a small or microbusiness by the Department of General Services, Office of Small Business and DVBE Services, or any city, county, federal, etc. certifying office, only a copy of that certification is required (to be certified small or microbusiness, visit the DGS website at www.pd.dgs.ca.gov/smbus). The successful Bidder will be required to provide this information for the small or microbusiness enterprises to be utilized as subcontractors.

The successful Bidder's small and microbusiness participation goal will become part of the contract resulting from this solicitation with the Lottery. The Lottery will monitor contractor compliance by requiring annual reports.

Bidders requesting either of the Small Business Participation Preferences are required to complete and submit the required forms.

(Revised 12/05)



ATTACHMENT 5

SMALL BUSINESS AND MICROBUSINESS PARTICIPATION – 25%

(Page 4 of 7)

INSTRUCTIONS/FORMS

Based on the type of goods/services sought in this solicitation, the Lottery has established a small business and microbusiness participation goal of 25% for a rating preference of up to 5%. Bidders must complete and sign the forms provided regarding the goal. If subcontracting less than the small business goal set for this solicitation (25%), Bidders should state the actual percentage of participation they will provide as part of the Declaration of Compliance Form. Bidders providing less than the 25% participation goal will receive a prorated preference.

General Information

Bidder's Name _____

Contact Person _____ Telephone _____ Fax _____

Address _____

City/State/Zip _____

Small Business or Microbusiness Subcontractors to be Utilized Form

Complete and sign this form for all small business and microbusiness subcontractors that you plan to utilize as part of your small business participation. Please duplicate this page for additional companies.

Small Business and DVBE Program Form

Complete and sign this form for all small business or microbusiness subcontractors to be utilized as part of this bid.

The form should also be used if the Bidder is a small business or microbusiness requesting certification by the Lottery. This page can be duplicated.

Declaration of Compliance Form

Complete and sign this form certifying all the information is true and correct. This form must be signed by the person legally authorized to contractually bind the Bidder.

(Revised 05/05)



ATTACHMENT 5

SMALL BUSINESS OR MICROBUSINESS SUBCONTRACTOR FORM (Page 5 of 7)

Complete and sign this form for all small business and microbusiness subcontractors that you plan to utilize as part of your small business participation goal. Please duplicate this page for additional companies.

Name of Subcontractor _____ Contact Person _____

Address _____

City/State/Zip _____

Telephone _____ Fax _____

Goods/Services to be provided _____

Business Category ___ Small ___ Micro Percentage of Contract _____ %

Certifying Bidder _____ Certification # _____
(include copy of certification document)

Requesting CSL Certification _____ Yes

By signing below, the Bidder indicates its intent to utilize the small business or microbusiness identified above as part of the contract associated with this solicitation, as applicable; and also certifies that all information contained herein is true and correct.

Bidder's Authorized Signature

Date

Printed Name

Company Name

By signing below, the small business or microbusiness certifies it has been contacted, and has expressed interest in participating in the contract in the area of work identified; and also certifies that all information contained herein is true and correct.

Subcontractor's Authorized Signature

Date

Printed Name

Company Name

CSL 1177 (R05/05)



ATTACHMENT 5

DECLARATION OF COMPLIANCE FOR SMALL BUSINESS AND MICROBUSINESS SUBCONTRACTOR PARTICIPATION (Page 6 of 7)

Complete and sign this form certifying all the information is true and correct. This form must be signed by the person legally authorized to contractually bind the Bidder.

Bidder's Name: _____

Contact Person: _____ Telephone: _____

Address: _____ Fax: _____

City: _____ Email _____

Declaration

I declare under penalty of perjury that the information provided in this Attachment is true and correct. (Please check one)

_____ Our firm is a Small Business or Microbusiness Bidder

_____ Our firm is a Nonsmall Business Bidder providing for small business or microbusiness subcontracting participation of ____%

_____ Our firm will not participate in the Small Business Program.

Executed on _____
Month/Date/Year

In the city of _____ State of _____

Signature _____
Authorized Representative

Printed Name _____

Title _____

Telephone _____ Fax _____

**Small Business & DVBE Program Form***If you are a certified small or DVBE business, please fill in shaded areas only.*

Business Name		Business Address	
City	State	Zip Code	Fax Number
Name of Owner			Telephone Number
Name of Contact Person			Telephone Number
Business Category: ☐ Small ☐ DVBE ☐ Microbusiness			
Business Certified with: _____ Agency Name			
Certification #: _____			

Type of Business:	☐ Sole Owner	☐ Partnership	Check one that applies: ☐ Non- Manufacturer ☐ Manufacturer Indicate number of Employees: _____	Check one that applies: ☐ Services ☐ Goods ☐ Information Technology ☐ Construction
	☐ Corporation	☐ Other		
	☐ Joint Venture			

Name owners and officers of your firm and their percent of ownership of the firm. If a corporation, list total outstanding stock and a percent breakdown of ownership.

Owners, Officers	Stock Ownership (%)	Home Address

Gross Annual Receipts Preceding Three Fiscal Years*:	
Year	Dollar Amount

* If business is less than three years old, enter date business was established _____

Services/Goods, etc. Provided: _____

By signing below, the Contractor certifies that the company above meets the following conditions required for qualification as a small business: (1) it be independently owned and operated; (2) not dominate in its field of operation; (3) principal place of business be located in California; (4) the officers in the case of a corporation, or owners in all other areas, be domiciled in California; and (5) together with affiliates is either A) a service, construction, or manufacturer with fewer than 100 employees, and average annual gross receipts of \$10,000,000 or less over the 3 previous years or B) a manufacturer with 100 or fewer employees. (A micro business is the same as a small business except its average annual gross receipts must be \$2,500,000 or less over the previous 3 years and it must have 25 or fewer employees.) A manufacturer means a small business that is both of the following: 1) primarily engaged in the chemical or mechanical transformation of raw materials or processed substances into new products; 2) classified between codes 2000 to 3999, inclusive of the Standard Industrial Classification (SIC) Manual published by the United States Office of Management and Budget, 1987 edition.

Signature of Authorized Representative

Date

Title

CSL 0718 (R 03/08)

Bidder

ATTACHMENT 6
Project Team
RFP #4232
Lottery Public Website Design, Development and Hosting Services

Title	Name	Role and Responsibilities	Percentage of time on project

Bidder: _____

**ATTACHMENT 7
Resume Form**

**RFP#4232
Lottery Public Website Design, Development and Hosting Services**

Name:

Title:

Education/School:

Major:

Degree/Year:

Client Date Start and End	Services Provided	Level of Responsibility and Relevant Experience to this Project	Full Time Equivalency	C/P*

*** Indicate 'C' for current clients and 'P' for previous clients**

NOTE: This form may be reproduced electronically, however, the same format is to be used

CONFIDENTIAL

***CALIFORNIA STATE LOTTERY
SECURITY/LAW ENFORCEMENT DIVISION***



***GENERAL CONTRACTOR
DISCLOSURE***

ATTACHMENT 8 CONTRACTOR DISCLOSURE

INTRODUCTION

Section 8880.38 of the California Lottery Act requires the Director, Security/Law Enforcement Division, to assure the integrity, honesty, and fairness in the operation and administration of the California Lottery.

To accomplish this, the Director, Security/Law Enforcement Division, has the authority to conduct an examination of the qualifications of all prospective and current employees, prospective and current Lottery Game Retailers, and prospective and current Lottery suppliers as defined in the Section 8880.57 of the California Lottery Act. This includes the ability to access criminal history records and require fingerprinting.

This informational form is designed to fulfill this requirement, and provide the Director, Security/Law Enforcement Division, the ability to adequately determine the contractor's or prospective contractor's qualifications.

Completion of this form is a mandatory condition of contracting. Unless otherwise indicated, failure to provide all of the information requested on this questionnaire may prevent you from contracting with the California Lottery.

INSTRUCTIONS

Read each question carefully before answering. Type or neatly print an answer to each question. If a question does not apply, enter "N/A". If the space provided is insufficient, enter the information requested on a separate piece of paper and include it with the disclosure package. Be sure to reference the number of the question you are answering.

Do not misstate or omit any material fact(s). The applicant is hereby advised they are seeking the granting of a contract with the California Lottery, and that the burden of providing favorable qualification is on the applicant at all times.

Each page of this questionnaire, including attachments, must be initialed by the applicant, or by a representative who has the authority to act on the applicant's behalf and can attest to the accuracy of the information. The disclosure must be signed by the same person. This form must also be notarized.

All applicants are advised this Contractor Disclosure Form is an official document of the California Lottery, Security/Law Enforcement Division. Any misrepresentation or failure to reveal information may be deemed sufficient cause for the refusal or revocation of a contract with the California Lottery.

PRIVACY NOTICE

The California Information Practices Act of 1977 requires that this notice be provided on all state agency forms, which collect personal information.

This information is being requested in order to examine your qualifications to be a contractor for the California Lottery as required by section 8880.38 of the California Lottery Act and to ensure compliance with section 8880.57 of the Act.

The Information you provide will only be disclosed to those persons(s) who are authorized by law to have access. Confidentiality will be observed. The information you provide may be disclosed to other government and law enforcement agencies including, but not limited to: The State Controller's Office, Department of Motor Vehicles (DMV), Department of Justice (DOJ), Federal Bureau of Investigation (FBI), and other federal, state and local law enforcement agencies. You have the right of restricted access to your background investigation records pursuant to Sections 1798.38 and 1798.40 of the Information Practices Act and Sections 11080, 11081, 11105, and 11131 of the California Penal Code. For further information on accessing your record, please contact the Lottery's Information Practices Act Coordinator, Business Services Section, 600 North 10th Street, Sacramento, CA, 95814.

ATTACHMENT 8 CONTRACTOR DISCLOSURE

PAGE 1

		BUSINESS INFORMATION				
NAME OF BUSINESS						
TRADE NAME/DBA						
STREET ADDRESS OF BUSINESS		CITY	STATE	ZIP CODE	TELEPHONE	
STREET ADDRESS OF BUSINESS RECORDS		CITY	STATE	ZIP CODE	TELEPHONE	
TYPE OF BUSINESS ☐ SOLE PROPRIETORSHIP ☐ CORPORATION (CORP) ☐ TRUST ☐ JOINT VENTURE ☐ GENERAL PARTNERSHIP ☐ LIMITED PARTNERSHIP ☐ LIMITED LIABILITY PARTNERSHIP (LLP) ☐ LIMITED LIABILITY COMPANY (LLC) ☐ OTHER _____						
PRINCIPAL BUSINESS ACTIVITY						
STATE OF INCORPORATION						
IF BUSINESS IS FORMED IN A STATE OTHER THAN CALIFORNIA, HAS THE BUSINESS QUALIFIED AS A FOREIGN ENTITY WITH THE CALIFORNIA SECRETARY OF STATE? ☐ YES ☐ NO IF YES, ENTER FILE NUMBER HERE: _____						
NAME OF PARENT COMPANY						
STREET ADDRESS OF PARENT COMPANY		CITY	STATE	ZIP CODE	TELEPHONE	
IS COMPANY: ☐ CLOSELY HELD ☐ PUBLICLY HELD ***IF PUBLICLY HELD, ATTACH MOST RECENT REPORT (10K, 10Q)***						
BUSINESS ORGANIZATIONAL CHARTS: ATTACH A DIAGRAM DEPICTING DIRECT AND INDIRECT BUSINESS RELATIONSHIPS BETWEEN THE BUSINESS AND PARENT COMPANIES. DIAGRAM MUST IDENTIFY ALL COMPANIES UNTIL ULTIMATE OWNERSHIP HAS BEEN IDENTIFIED.						

CSL 0829A (R 12/13/07) (310.1.4)

INITIALS: _____

ATTACHMENT 8 CONTRACTOR DISCLOSURE

PAGE 2

		DIRECTOR - OFFICER LIST			
IF A BUSINESS IS A CORPORATION, LIST EACH DIRECTOR-OFFICER. IF YOU NEED ADDITIONAL SPACE, PLEASE MAKE PHOTOCOPIES OF THIS BLANK PAGE AND ATTACH ADDITIONAL PAGES TO THE BACK OF THIS FORM. INDICATE NUMBER OF DUPLICATED PAGES: PAGE ____ OF ____					
NAME		DATE OF BIRTH		SOCIAL SECURITY NUMBER	
RESIDENCE STREET ADDRESS		CITY		STATE	ZIP CODE
BUSINESS STREET ADDRESS		CITY		STATE	ZIP CODE
POSITION HELD				PERCENTAGE OF STOCK HELD	
NAME		DATE OF BIRTH		SOCIAL SECURITY NUMBER	
RESIDENCE STREET ADDRESS		CITY		STATE	ZIP CODE
BUSINESS STREET ADDRESS		CITY		STATE	ZIP CODE
POSITION HELD				PERCENTAGE OF STOCK HELD	
NAME		DATE OF BIRTH		SOCIAL SECURITY NUMBER	
RESIDENCE STREET ADDRESS		CITY		STATE	ZIP CODE
BUSINESS STREET ADDRESS		CITY		STATE	ZIP CODE
POSITION HELD				PERCENTAGE OF STOCK HELD	
NAME		DATE OF BIRTH		SOCIAL SECURITY NUMBER	
RESIDENCE STREET ADDRESS		CITY		STATE	ZIP CODE
BUSINESS STREET ADDRESS		CITY		STATE	ZIP CODE
POSITION HELD				PERCENTAGE OF STOCK HELD	

CSL 0829A (R 12/13/07) (310.1.4)

INITIALS: _____

ATTACHMENT 8 CONTRACTOR DISCLOSURE

PAGE 3

		OWNERS- PARTNERS – STOCKHOLDERS			
LIST ALL OWNERS-PARTNERS-STOCKHOLDERS WHO HOLD INTEREST IN THE BUSINESS OR CORPORATE STOCK. IF A PUBLICLY HELD CORPORATION, LIST THE STOCKHOLDERS KNOWN TO OWN 5% OR MORE OF THE CORPORATE STOCK. A COMPLETE CONTRACTOR DISCLOSURE MAY BE REQUIRED FOR EACH ENTITY THAT HOLDS A CONTROLLING INTEREST IN THE BUSINESS. 8880.57(a)(1) IF YOU NEED ADDITIONAL SPACE, PLEASE MAKE PHOTOCOPIES OF THIS BLANK PAGE AND ATTACH ADDITIONAL PAGES TO THE BACK OF THIS FORM. INDICATE NUMBER OF DUPLICATED PAGES: PAGE ____ OF ____					
NAME		DATE OF BIRTH		SOCIAL SECURITY NUMBER	
RESIDENCE STREET ADDRESS		CITY		STATE	ZIP CODE
BUSINESS STREET ADDRESS		CITY		STATE	ZIP CODE
POSITION HELD				PERCENTAGE OF STOCK HELD	
NAME		DATE OF BIRTH		SOCIAL SECURITY NUMBER	
RESIDENCE STREET ADDRESS		CITY		STATE	ZIP CODE
BUSINESS STREET ADDRESS		CITY		STATE	ZIP CODE
POSITION HELD				PERCENTAGE OF STOCK HELD	
NAME		DATE OF BIRTH		SOCIAL SECURITY NUMBER	
RESIDENCE STREET ADDRESS		CITY		STATE	ZIP CODE
BUSINESS STREET ADDRESS		CITY		STATE	ZIP CODE
POSITION HELD				PERCENTAGE OF STOCK HELD	
NAME		DATE OF BIRTH		SOCIAL SECURITY NUMBER	
RESIDENCE STREET ADDRESS		CITY		STATE	ZIP CODE
BUSINESS STREET ADDRESS		CITY		STATE	ZIP CODE
POSITION HELD				PERCENTAGE OF STOCK HELD	

CSL 0829A (R 12/13/07) (310.1.4)

INITIALS: _____

ATTACHMENT 8 CONTRACTOR DISCLOSURE

PAGE 4

	GAMING GOODS/SERVICES	
--	------------------------------	--

HAS THE BUSINESS EVER ENTERED INTO A JOINT VENTURE OR OTHER CONTRACTUAL ARRANGEMENT TO SUPPLY ANY STATE OR JURISDICTION WITH GAMING GOODS OR SERVICES, INCLUDING, BUT NOT LIMITED TO LOTTERY GOODS AND SERVICES. (8880.57(b)(8))

☐ YES ☐ NO

IF YES, PROVIDE A LIST OF THE STATE OR JURISDICTIONS IN WHICH THE GOODS OR SERVICES WERE PROVIDED, INCLUDING A DESCRIPTION OF THE GOODS OR SERVICES PROVIDED AND THE DATES.

	DATE	STATE/JURISDICTION	GOODS AND SERVICES PROVIDED	TERM OF CONTRACT
A				
B				
C				
D				
E				
F				

	LEGAL PROCEEDINGS	
--	--------------------------	--

HAS THE BUSINESS, ANY OWNER, OFFICER, DIRECTOR OR STOCKHOLDER OF THE BUSINESS, OR, IN THE EVENT OF A PUBLICLY HELD CORPORATION, THOSE STOCKHOLDERS OWNING 5% OR MORE OF THE CORPORATE STOCK, EVER BEEN CONVICTED IN A STATE OR FEDERAL COURT OF ANY GAMBLING RELATED OFFENSE OR CRIMINAL OFFENSE OTHER THAN A TRAFFIC VIOLATION? (8880.57(b)(4))

☐ YES ☐ NO

	DATE	DEFENDANT(S) NAME, POSITION HELD IN BUSINESS	COURT LOCATION, CITY & STATE	NATURE OF PROCEEDINGS. PROVIDE DOCKET #/CASE/FILE/OTHER IDENTIFIER
A				
B				
C				
D				
E				
F				

CSL 0829A (R 12/13/07) (310.1.4)

INITIALS: _____

ATTACHMENT 8 CONTRACTOR DISCLOSURE

PAGE 5

LEGAL PROCEEDINGS

HAS THE BUSINESS EVER BEEN A DEFENDANT OR RESPONDENT IN ANY OF THE FOLLOWING: (8880.57(b)(10)) ☐ YES ☐ NO

IF YES, PROVIDE SPECIFICS OF EACH INCIDENT AS WELL AS THE CURRENT STATUS/DISPOSITION.

- ☐ ANTI-TRUST CASE
- ☐ TRADE REGULATION VIOLATIONS
- ☐ SECURITY JUDGEMENTS
- ☐ LICENSE DENIALS, SUSPENSIONS OR DISPLINARY ACTION
- ☐ ANY TAX LIENS
- ☐ FRANCHISE TAX BOARD SUSPENSIONS

HAS THE BUSINESS EVER BEEN THE SUBJECT OF A BANKRUPTCY, INSOLVENCY OR REORGANIZATION OR ANY JUDGEMENT OR PENDING LITIGATION INVOLVING FRAUD OR DECEIT? (8880.57(b)(5))

☐ YES ☐ NO

IF YES, PROVIDE THE INFORMATION REQUESTED BELOW. PROVIDE, ON A SEPARATE PIECE OF PAPER, A DETAILED EXPLANATION OF THE ALLEGATIONS. INCLUDE SPECIFICS AS TO THE CURRENT, KNOWN STATUS OF THE PROCEEDING.

	DATE	DOCKET #	NAME, ADDRESS PRESIDING COURT	NAME, ADDRESS FILING PARTY	NAME, ADDRESS OF TRUSTEE
A					
B					
C					
D					
E					
F					

CSL 0829A (R 12/13/07) (310.1.4)

INITIALS: _____

ATTACHMENT 8 CONTRACTOR DISCLOSURE

PAGE 6

DONATIONS

LIST ALL REPORTABLE CONTRIBUTIONS BY THE BUSINESS TO ANY LOCAL, STATE OR FEDERAL POLITICAL COMMITTEE IN CALIFORNIA FOR THE PAST FIVE YEARS THAT IS REPORTABLE UNDER ANY EXISTING STATE OR FEDERAL LAW. (8880.57(b)(7))

	CANDIDATE'S NAME	CANDIDATE'S OFFICE/JURISDICTION	DATE OF CONTRIBUTION	AMOUNT CONTRIBUTED
A				
B				
C				
D				
E				
F				
G				
H				

SUBCONTRACTORS

LIST ALL KNOWN SUBCONTRACTORS THE BUSINESS INTENDS TO UTILIZE WITH THE CSL CONTRACT IF AWARDED THE CONTRACT. LIST THE NAME(S), ADDRESS(ES), AND CONTACT PERSON(S) FOR EACH SUBCONTRACTOR. IDENTIFY IN DETAIL THE SERVICE EACH SUBCONTRACTOR IS TO PROVIDE, INCLUDING THE MONETARY VALUE OF THE SUB-CONTRACT. ALSO PROVIDE COPIES OF PERTINENT AGREEMENTS MADE WITH EACH SUBCONTRACTOR. (8880.57(a)(7))

**ATTACHMENT 8
CONTRACTOR DISCLOSURE**

PAGE 7

ATTACHMENT CHECK LIST

PLEASE ATTACH COPIES OF THE BELOW LISTED DOCUMENTS TO YOUR DISCLOSURE PACKAGE. PLACE "N/A" TO THE LEFT OF THE DOCUMENT NAME IF THE DOCUMENT DOES NOT APPLY. FAILURE TO PROVIDE A REQUIRED DOCUMENT MAY BE DEEMED SUFFICIENT CAUSE FOR REJECTING A BID.

- ☐ Initial Formation/Registration Documents
(Articles of Incorporation/Organization, Certificate of Limited Partnership, LLP Registration, etc...)
- ☐ All Amendment Documents
- ☐ Annual Statement of Information
(last change and current, if current reports no change of information) (Corp or LLC Only)
- ☐ Corporate Disclosure Statement (Publicly Traded Corp)
- ☐ Partnership Agreement (Limited and General Partnerships)
- ☐ Trust Agreement
- ☐ Joint Venture Agreement
- ☐ Charter
- ☐ By Laws
- ☐ Organization Chart
- ☐ Annual Reports
- ☐ Quarterly Reports
- ☐ Interim Reports
- ☐ Financial Reports (last 3 years)
- ☐ Bankruptcy Filings, Receivership Proceedings

CSL 0829A (R 12/13/07) (310.1.4)

INITIALS: _____

**ATTACHMENT 8
CONTRACTOR DISCLOSURE**

PAGE 8

STATE OF: _____

COUNTY OF: _____

I, _____, have read the foregoing disclosure documentation and know the contents thereof; that the statements contained herein are true and correct and contain a full and true account of information requested; that this statement is executed with the knowledge that misrepresentation or failure to reveal information requested may be deemed sufficient cause for rejecting the submitted bid. Further, that I am aware that later discovery of an omission or misrepresentation made in the above statements may be grounds for denying or canceling a contract. I also understand that public disclosure of this application is governed by the California Public Records Act, which law mandates disclosure of this application, upon request, except for information concerning personal worth, personal financial data, criminal history, military discipline, and personal information such as home telephone number, home address, social security number, driver's license number, etc.

I swear under penalty of perjury that
the foregoing is true and correct.

Signature of Applicant

Subscribed and Sworn to before me this _____ day

Of _____, 20_____.

Notary Public

(SEAL)

