

600 North Tenth Street
Sacramento, CA 95811
calottery.com



December 21, 2009

All Interested Parties and Prospective Bidders:

RE: Request For Proposal RFP #2246, Tracking Study Services

The California Lottery (Lottery) is issuing the attached Request for Proposal (RFP) to solicit proposal responses from qualified vendors to provide Tracking Study Services.

Please read all instructions and forms thoroughly to ensure your proposal is in compliance with the requirements of the RFP. Proposal responses are due as specified in Section I, E, Projected Time table and Section IV, Proposal Packaging and Delivery, no later than **3:00 p.m. on Monday , January 25, 2010 . Late proposals will not be accepted.**

If you have any questions regarding this solicitation, please contact me at (916) 327-1383, facsimile to (916) 327-6713, or email ssanchez@calottery.com.

We look forward to receiving your proposal responses.

Susana Sanchez
Contract Administrator
Contract Services Section

Attachment

Request for Proposal

**Tracking Study Services
RFP #2246**

December 23, 2009

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

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I. GENERAL INFORMATION

A. Purpose

The California State Lottery (Lottery) invites proposals by qualified Bidders who are interested in providing market research services to the Lottery.

The purpose of this solicitation document is to select a single research contractor to conduct the ongoing Communications Effectiveness Tracking Study Services for the Lottery. The Tracking Study must accurately reflect all California adults and includes both Lottery players and non-Lottery players. Information to be measured includes, but is not limited to, game and advertising awareness, attitudes, playership and spending behavior, and demographics.

The agreement is for a period of two years with the option to extend for up to five (5) additional one-year periods under the same terms and conditions and at the sole discretion of the Lottery.

B. Background

The Lottery has an existing contract for conducting the Communications Effectiveness Tracking Study. This procurement process will eventually result in a successor contract. The Lottery wants to secure a contract that continues to provide high quality Tracking Study Services utilizing the newest technology and methodology to provide consistent and reliable information.

C. Bidder Qualifications

This RFP is open to vendors who at the time of bid submission:

1. Have a minimum of two (2) continuous years of experience conducting market research surveys.
2. Have had two or more contracts for market research services during the past two (2) years with a value in excess of \$100,000 per contract.
3. Have the ability to provide both telephone-based surveys and Internet-based surveys.
4. Are business entities able to legally do business in the state of California; and
5. Meet the requirements set forth in Section II, Proposal Requirements.

NOTE: If a joint offer is being submitted (two or more independent entities offering jointly in one proposal) at least one of the Bidders must meet all of the minimum requirements listed above. Years of experience from two or more Bidders forming the joint offer cannot be combined to meet the experience requirement.

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: Susanna Sanchez

600 North 10th Street
Sacramento, CA 95811-0393
Phone: (916) 327-1383 FAX: (916) 324-6713
TDD: (800) 345-4275
Email: ssanchez@calottery.com

No contact is 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 these 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.

Action_____	Date	_____ Time	_____
RFP Issued	December 21, 2009		
Written Intent to Bid Due		January 5, 2009	
Written Questions Due		January 5, 2009	
Responses to Written Questions		As Required	
Bid Responses Due		January 25, 2010	3:00pm
Identification of Apparent Successful Bidder		February 2010	
Commission Approval of award		March 4, 2010	
Projected Contract Effective Date		June 1, 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 discovers an error in this RFP and fails to notify the Lottery of the error, 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 submit an Intent to Bid if the amendment or cancellation occurs prior to proposal submission; or to Bidders who submit a proposal if the amendment or cancellation occurs after proposal submission. All notices, amendments, and/or cancellations will also be posted on the Lottery's website (www.calottery.com) under "Vendor Opportunities."

H. Intent to Bid

To receive any further communications regarding this RFP, 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. 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.

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 within and by the date specified for Written Questions Due in the Projected Timetable. It is the sole responsibility of the vendor to verify receipt of the submitted questions. All vendors with a written Intent to Bid on file will receive a copy of all written questions and answers which 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 Response

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 these 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 the 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 it relies on 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.

The Lottery considers information submitted by Bidders pertaining to **B. Rated Submittals**, Sections **3. Bidder Description of Managing the Internet Sample** and **4. Bidder's Description of Survey Strategies and Project Deliverables** as confidential. These portions of Bidder proposals and their related evaluations will not be subject to any requirements, restrictions or limitations noted above.

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 the 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 requirements.

O. 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 the 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.

P. 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.

Q. Governing Law and Regulations

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

II. PROPOSAL REQUIREMENTS

Bidders are expected to provide the Lottery with as much information as is 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, Cost Proposal
3. Attachment 2, Certification
4. Attachment 3, Guaranty
5. Attachment 4, Resume Form
6. Attachment 5, Disabled Veteran Business Enterprise Participation Program
7. Attachment 6, Small and Microbusiness Participation (if applicable)
8. Attachment 7, Contractor Background Information

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 RFP 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 Certification, Attachment 2, 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.).

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 conflicts, provide a statement to this effect.**

2. Cost Proposal (Attachment 1)

Cost Proposal, Attachment 1, must be completed by the Bidder at the time of proposal submission and included in its proposal package. **NOTE: Any changes made to the Cost Proposal, including but not limited to exceptions, deletions, and additions, may be the basis for disqualification of the 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 Participation (Attachment 4)

Disabled Veteran Business Enterprise Participation, Attachment 4, must be completed by the Bidder at the time of proposal submission and included in its proposal package.

6. Small and Microbusiness Participation (Optional) - (Attachment 5)

Small and Microbusiness Participation, Attachment 5, if applicable must be completed by the Bidder at the time of proposal submission and included in its proposal package.

7. Confidential Contractor Disclosure (Attachment 6)

Confidential Contractor Disclosure, Attachment 6, must be completed by the Bidder at the time of proposal submission and included in its proposal package.

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

B. Rated Submittals

Proposals submitted in response to the RFP will be rated in comparison with other submitted proposals and will be given ratings using the scale set forth in Section III.

1. Bidder and Subcontractor Corporate Qualifications (maximum 5 pages)

In this section, the Bidder must describe how the company's prior experience and the resources it has available make it best suited to provide market research services to the

California Lottery specifically in terms of Tracking studies. Bidders must include sufficient information to confirm that the company meets the minimum qualifications for submitting a proposal as outlined in Section I.C of this document, Bidder Qualifications.

In addition, the Bidder may provide information that demonstrates how the company exceeds these requirements and has the capabilities to provide superior Tracking Study research. In this regard, the Lottery suggests, that the information in the following paragraphs be provided.

Research Capabilities

The Bidder should provide a written description outlining its resources and research capabilities to conduct the Communications Effectiveness Tracking Study, as outlined in Scope of Services, Exhibit A. In this description, the Bidder must disclose how subcontractors would be used, if at all, for any element of the Tracking Study Services. Where subcontractors are employed, they should be identified along with information relative to their experience, capabilities, and the quality of their services should be provided.

Project and Client List

The Lottery is particularly interested in obtaining Bidder information on the specific types of projects handled by the Company in recent years – particularly those which have a comparable scope of services.

The Bidder shall provide a list of relevant research projects over at least the past two years, including the client, contact person at the client firm, type of research project, research methodology employed, the extent of using subcontractors and the dates of the project.

References

Additionally, Bidders must provide the names, work titles, and telephone numbers of two references who can be contacted directly by the Lottery. References must be customer representatives who have a direct working knowledge of the Bidder's contract performance for an engagement similar to the Lottery's Tracking Study needs. The engagement must have been active in 2008 or 2009. Bidders are encouraged to inform their references that they may be contacted by the California Lottery. Please note that the evaluation process will not be delayed if one or more references cannot be contacted. It is anticipated that the Lottery may be contacting Bidder-provided references in February, 2010.

Evaluation Criteria for Bidder and Subcontractor Corporate Qualifications:

- **Recent and relevant experience (for the Bidder and its subcontractors) in conducting Tracking studies similar to the Lottery's business needs**
- **Prior experience with research in the gaming industry**
- **Prior experience in utilizing data collection methods over the internet**
- **Reliance on subcontractors to perform significant portions of the contracted work – companies holding expertise in in-house including the management of the internet sample are viewed more favorably**
- **Substantiation of experience as provided by references**
- **Overall research capabilities including years and breadth in the market research industry**

2. Key Personnel Qualifications (maximum 4 pages plus attached resumes)

The Bidder shall outline the staff resources it will commit to this project. This includes details on the number of staff positions involved with the project, the responsibilities of each individual and the percentage of time each individual will be dedicated to the Lottery account.

At a minimum, the Lottery anticipates that the selected Contractor will propose two or more researchers to work with Lottery staff on the development of the initial, specific survey instrument. This effort could take three to four weeks, with most of this work occurring in May/June 2010. Thereafter, the Lottery expects to have a project manager who is the point person on the Lottery account – handling all day to day issues. This person should be clearly identified in the proposal. The project manager may or may not also be the Contract Manager.

The Lottery is interested in the qualifications of the individuals involved in planning and executing the Tracking Study - particularly members who will be working with the Lottery on the development of the survey instrument and the project manager

For each individual identified, the Bidder shall complete the provided resume form in Attachment 4, Resume Form. This form includes the following information:

- Formal relevant education and level achieved
- Any academic honors received
- Work experience, with descriptive examples and time ranges
- A list of major projects while employed with that firm along with a list of clients, product categories and any unique research methodologies used
- Publications and related research products, such as formal presentations to market research peers
- Membership in professional associations
- Any professional awards related to market research

In evaluating proposals, the Lottery will assume that there will be no substitutions for those individuals assigned to be part of the survey development process. The Contractor may replace the day-to-day contact resource for legitimate reasons and subject to advance Lottery approval. The Lottery has the authority to approve/disapprove any replacement of the day-to-day contact.

Evaluation Criteria Key Personnel Qualifications:

- **Extent of relevant education and experience of the individuals assigned to work with the Lottery in developing the survey and data collection methods**
- **The amount of staff time dedicated to the Lottery account**
- **The relevant education and experience of the project manager**
- **The relevant education and experience of other staff assigned to the Lottery account**

3. Bidder Description of Managing the Internet Sample (maximum 10 pages)

(The Lottery considers information submitted by Bidders pertaining to **3. Bidder Description of Managing the Internet Sample** and as confidential.)

In this section, the Bidder will provide a detailed narrative explaining how it will create a survey sample of respondents that is an accurate reflection of the California adult population. This is extremely critical to the Lottery since the data from this Communications Effectiveness Tracking Study is used not only to make marketing decisions but also to answer questions from the media, state legislators and other government officials on Lottery topics.

In preparing this response, the Lottery requests that data collection be conducted over the internet. Usage of internet panels is acceptable. If the Bidder believes the results of a Random Digit Dialing (RDD) methodology would be more effective for Spanish language surveys (inclusive of cell phone lists), this methodology may be proposed. Supporting arguments for this preference and reliability measures must be included. Separate costs must also be included in the cost proposal.

The Lottery is currently using the Random Digit Dialing method for Tracking Study surveys but believes that internet-based survey methods will yield a more representative sample because of the increasing number of households without a landline – particularly among younger adults, the difficulty in reaching cell phone users and the declining incidence of participation. In addition, the Lottery believes the cost of the Study will be lower by using an internet methodology for data collection.

Despite these advantages, the Lottery has great concerns that without proper safeguards the resulting sample may not truly represent the population of California adults or California Lottery players. There appears to be a population of professional survey respondents and members who falsely provide self-disclosed demographic information, etc.

In your Bidder's Discussion, include all information regarding your internet panel methodology to support a high confidence level that the Lottery receive a sample that is representative of the California adult population. The Lottery insists that the sample be representative not only from a demographic standpoint but also in terms of general attitudes and usage behaviors.

Information to be provided by the Bidder in this description includes, but is not necessary limited to the topics described in the following paragraphs.

- If you have a California Internet panel, what is its size?
- Describe in detail the methods by which you recruit participants for internet surveys. If you use a panel of potential respondents, outline how the panel members are recruited.
- Provide information on whether an internet panel is owned and managed by your company or do you subscribe to such a service. If subscribed, to how many Internet panel recruiters do you subscribe and how do you evaluate their effectiveness in terms of panel management and fraud prevention? If the Internet panel is your own panel, how is the panel managed and refreshed?
- Describe the process used in contacting potential participants.
- Discuss the quality control measures that will be in place to screen potential respondents for the Study. What screener questions, if any, will you use to ensure a representative sample is selected? For example, internet users appear to be more socially active. What

techniques do you enlist to ensure that the sample is not overly represented by more socially active adults and/or by very heavy internet users?

- Include a discussion about incentives including the reason why you do or do not offer them.

In preparing their responses, Bidders should be aware that the Lottery is particularly interested in understanding the quality of the sample. For example, the Lottery wants to know exactly how the universe of potential panel participants was constructed, is managed and by whom.

In order to allow Bidder responses to be compared fairly, Bidders should use the following hypothetical assumptions:

1. Tracking Study survey data collection is among the general public of California adults ages 18 or over.
2. Lottery players in the past year (FY2008/2009), account for approximately 44% of California adults.
3. The survey results should mirror the California adult population in relation to age, gender, ethnicity and gender within ethnicity. For a description of quotas, please refer to the Scope of Services, Exhibit A.
4. The length and complexity of the English language Internet-based survey and the Spanish language survey is expected to be comparable to our current questionnaire. The length of the survey is longer for a Lottery player survey than for non-players.
5. The type of information collected for the Tracking Study will have a conventional focus for both general public and lottery player attitudes, opinions, spending information, advertising awareness, demographic information, etc. Collected Tracking Study information will tend to be consistent over time.
6. The frequency of Tracking Study data collection is continuous in that the same number of interviews will be conducted each week. There are no daily quotas.
7. An augment may be requested from time to time. In general, augment samples are proportioned as part of the continuous weekly sample. An augment will sometimes call for an additional sample of the general population, but other times, it may call for additional interviews of specific segments of the population – such as additional interviews conducted in Spanish. The need for an augment may be known several months in advance (a new game launch or a new advertising program). However, there may be circumstances that arise calling for an augment with less than a one-week notice.
8. This is a continuous Tracking Study, the majority of questions remain unchanged from month to month. The Lottery will require additions and deletions of questions that pertain to specific events/promotions, advertising new games etc.

Bidders should not question the reasonableness of the preceding assumptions.

Evaluation Criteria for Bidder Discussion – Internet Sample , Panel Management:

- **Persuasiveness of the Bidder’s proposal and supporting information that the resulting sample will give quality results and be representative of California adults**
- **Panel management and quality control of the sample**
- **Thoroughness of the proposal**
- **Quality of cited references in support of the Bidder’s performance**

4. Bidder’s Description of Survey Strategies and Project Deliverables (maximum 10 pages)

(The Lottery considers information submitted by Bidders pertaining to **4. Bidder’s Description of Survey Strategies and Project Deliverables** as confidential.)

In this section, the Bidder will provide details on how they propose implementing the survey, as well as providing the data files and all other deliverables specified in the Scope of Services, Exhibit A. This includes the strategies to be employed in questionnaire design and administration, quality control checks, data preparation and the production of data files and tabulations. The Bidder may also discuss their capabilities of conducting the survey over the Internet – outside of what was already provided in the prior section. The Bidder must also provide a timetable outlining key dates each month for the major steps in the Study as well as a date for the deliverables.

In addition to the quality of the Internet sample, it is critical that the survey design solicits high completion rates, reliable and valid information, and provides for an accurate representation of the California adult population, Lottery players and non-Lottery participants. The Bidder must include a description of controls that will be used to monitor responses as well as other measures to ensure quality information.

Responses provided by the Bidder in this description should include, but are not necessarily limited to the topics described in the following paragraphs:

- Please provide a detailed description of the quality control methods employed for all aspects of the survey.
- In terms of survey design, please describe the techniques employed to keep respondents engaged. Also, please discuss your graphic capabilities in developing the survey instrument.
- Discuss the use of pre-tests or pre-test measures, if any, that are taken before the launch of the Internet-based survey.
- Describe the steps used in monitoring survey completion and drop out rates and what actions would be prompted by certain statistics.
- If the RDD method is proposed for Spanish language surveys, what quality control methods do you employ?
- Describe the process involved when the client requests changes to the questionnaire.

Evaluation Criteria for Proposed Survey Development Strategies:

- **Persuasiveness that the Bidder's survey design strategy will provide reliable and valid information**
- **Quality control strategies that will be put in place for data collection and in preparing the data files and tabulations; emphasis placed on quality control procedures**
- **Timetable Proposal for deliverables**
- **Bidder capabilities and expertise in survey design and questionnaire construction**

C. Cost Proposal

Bidders will be compensated monthly in arrears for the data set of completed surveys that are consistent with the counts provided in the Bidder's proposed strategies. Bidders will not be separately compensated for survey development.

After creating the survey at the start of the project, the Lottery still anticipates there will be times when new questions or modifications to existing questions are needed to meet changes to the Lottery's products and marketing efforts. During the course of any given calendar year, the Lottery reserves the right to modify up to 15% of the survey questions with replacement questions of the same approximate complexity. The Contractor is not entitled to any supplemental compensation for these changes.

Please note that the hypothetical monthly count of surveys found in the tables of the Cost Proposal, Attachment 1, is only for discussion purposes and Bidders are free to recommend counts significantly higher or lower than this amount.

The Lottery anticipates that there will be occasions when the Lottery wants to augment the agreed upon survey counts as, for example, during the launch of a new Lottery game. Attachment 1 contains a table that has been developed to show the range of completed interviews anticipated during the contract.

Because this proposed agreement is for two (2) years with an option to extend for five (5) additional one-year periods not to exceed seven (7) total contract years, Bidders are allowed to incorporate cost of living increases beginning with the 2012-2013 fiscal year which begins on July 1, 2012. If cost of living increases are incorporated, the Bidder must state a single percentage amount by which survey costs increase at the beginning of each applicable fiscal year. These percentage amounts will be compounded annually and the unit costs per survey will be rounded to the nearest penny.

Bidders must submit the attached Cost Proposal, Attachment 1, form as part of their Cost Proposal.

D. Small and Microbusiness Participation

Based upon the nature of the goods and services utilized under this solicitation (as described in the Scope of Services, Exhibit A), the Lottery has set a Small Business Participation goal of 25% for utilization of small or micro businesses as subcontractors under the contract resulting from this solicitation. The Lottery encourages participation in this program.

For evaluation purposes, and in accordance with the Small Business Procurement and Contract Act, a Bidder preference (maximum of five (5%) percent) will be applied as described in page 2 of the Small Business Participation Goal and Small Business or Microbusiness Bidder Preference, Attachment 5.

E. Disabled Veteran Business Enterprise Participation Program

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

F. Contractor Background Information

Bidder's are 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 upon the results of these disclosures.

In order to ensure integrity, security, and honesty in its operation, the Lottery will conduct a thorough background check. This may include fingerprinting and a 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.

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 for form and content in accordance with the provisions stated in this RFP. The evaluation of the proposals is as follows:

1. Mandatory Submittals Evaluation (Pass/Fail):

- a. Transmittal Letter
- b. Cost Proposal (Attachment 1)
- c. Certification (Attachment 2)
- d. Guaranty (Attachment 3)
- e. Disabled Veteran Business Enterprise Program (Attachment 4)
- f. Small and Microbusiness Participation (Optional) (Attachment 5) if applicable
- g. Confidential Contractor Disclosure (Attachment 6)

2. Rated Submittals Evaluation (Listed in order of importance):

- a. Bidder Description of Managing the Internet Sample
- b. Bidder Description of Survey Strategies and Project Deliverables
- c. Cost Proposal
- d. Key Personnel Qualifications
- e. Bidder & Subcontractor Corporate Qualifications

In terms of relative importance, the top three subsections (a. Bidder Description of Managing the Internet Sample, b. Bidder Description of Survey Strategies and Project Deliverables, c. Cost Proposal) combined shall be afforded three-quarters of the overall evaluation importance. The remaining subsections (d. Key Personnel Qualifications, e. Bidder & Subcontractor Corporate Qualifications) will make up the remaining quarter of the overall evaluation.

Rating Chart

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.

3. Cost Proposal Assessment

For evaluation purposes only, a separate evaluation team will calculate an estimated four year budget for the Tracking Study based on the Bidder's Cost Proposal(s). This will include calculating the cost of the interviews in Contract Year #3 and #4 based on the annual percentage cost of living increase quoted by the Bidder.

For Bid evaluation purposes only, the Lottery will assume 20% of all surveys will be conducted in Spanish.

B. Best Value Evaluation

For the purposes of this RFP, the best value proposal will be the proposal that is the best overall value to the Lottery and will most likely result in a contract that fulfills the Lottery's mandate to "Subject to the approval of the commission, the Director or the Director's designee shall: (1) award contracts to the responsible supplier submitting the best value proposal that maximizes the benefits to the State in relation to the areas of security, competence, experience, and timely performance; (2) take into account the particularly sensitive nature of the California Lottery; and (3) act to promote and ensure integrity, security, honesty, and fairness in the operation and administration of the lottery and the objective of net revenues for the benefit of the public purpose described in this chapter." (Government Code Section 8880.56).

As part of the best value proposal evaluation process, the Lottery may award a contract based upon the proposals submitted or establish a competitive range and hold discussions with each Bidder in the competitive range. The competitive range will be comprised of the most highly rated proposals consistent with the need for an efficient competition. If conducted, discussions will be undertaken with the intent of allowing each Bidder the opportunity to revise its proposal only in those specific areas identified by the Lottery during discussions. The discussions may include bargaining. Bargaining includes persuasion, alteration of assumptions and positions, give-and-take and may apply to price, technical requirements, type of contract or other terms of a proposed contract.

The Lottery may indicate to, or discuss with, each Bidder in the competitive range weaknesses, deficiencies and 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 materially enhance the proposal's potential for award. The scope and extent of discussions are a matter solely within the Lottery's judgment.

A proposal meeting the requirements of the RFP and with the lowest cost proposal may not be selected if an award to a higher cost 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.

IV. PROPOSAL PACKAGING AND DELIVERY

All proposals must be received no later than Wednesday, January 20th 2010, 3:00 p.m. **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: Susana Sanchez
Response to RFP #2246
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.

Exhibit A

SCOPE OF SERVICES

Background:

The Tracking Study fulfills requirements from sections 8880.40 and 8880.44 of the Lottery Act. Section 8880.40 states that the Lottery is to conduct an ongoing Study of “the reactions of citizens of the State to existing or proposed features in Lottery Games.” Section 8880.44 requires the Lottery to “engage an independent firm experienced in demographic analysis to conduct a special Study which shall ascertain the demographic characteristics of the player of each Lottery Game.”

In addition, the Lottery uses the Tracking Study to measure the effectiveness of marketing programs, which has a direct impact on variables such as game and advertising awareness, attitudes and playership. The Lottery’s current product line includes instant ticket Scratchers® and Draw Games (SuperLOTTO Plus®, MEGA Millions®, Fantasy 5®, Daily 3, Daily 4, Daily Derby® and Hot SPOT®).

The data is analyzed to address the objectives previously stated. Demographic profiles which include gender, age, ethnicity, education level, employment status and income are prepared for the sample of California adults and for each of the Lottery’s games. Marketing programs such as advertising campaigns, awareness, playership and attitudes are measured before, during and following campaigns to determine if they have achieved the stated goals.

An internet-based survey is the chosen methodology for English language interviews, because of the high cost of the Random Digit Dialing (RDD) methodology, the decline in the number of households with a landline – particularly among younger adults, the difficulty in cell phone surveying and lower participation rates for phone surveys in general. Based on some prior experience with internet surveys, the Lottery does have concerns that internet-based samples could have disproportionately large percentages of respondents that are very socially active participating in many such events – including gaming activities such as horse racing events or even playing the Lottery. There is also a concern that without proper safeguards the sample will be composed primarily of very heavy internet users. The vendor will be required to provide a strategy that will produce a true random and representative sample of California adults and players.

We are open to either Internet based-surveys or RDD as a method to complete Spanish language surveys and want a vendor who will guide us to make the best selection and provides solid evidence of their supported choice methodology.

General Guidelines:

1. The Contractor needs to have the ability to conduct market research surveys over the internet as well as over the telephone.
2. The Contractor is responsible for developing the questionnaire language and layout based on the general direction provided by the Lottery. The final questionnaire must be approved by the Lottery before interviewing can be started. The Contractor is also responsible for incorporating changes into the survey as needed – such as when a new game is introduced.

3. The survey is modified as needed when new games are added or deleted and to reflect marketing programs such as promotions and new advertising campaigns. No additional costs will be accepted for survey changes.
4. The Contractor is responsible for providing the Lottery a sample that is representative of all California adults 18 years and older and also representative of all types of Lottery players.. The sample should be representative of California adults and players not only demographically but also behaviorally and attitudinally.

Lottery players are defined as individuals who claimed to have purchased a Lottery ticket within the past year. Based on current Tracking Study data for FY08/09, 44% of California's adult population has played the Lottery in the past year. Past year playership was; 47% in FY07/08, 53% in 06/07 and 52% in 05/06

5. The Contractor is responsible for developing a method for acquiring survey respondents in such a way that respondents represent the California adult population overall. Disproportionate participation by one group of any particular mindset is not acceptable.
6. The Contractor is responsible for developing and utilizing screeners that will provide a sample that is representative of the California adult population.
7. Standard quality control methods should be employed regardless of methodology. For example, at least ten percent (10%) of all surveys must be verified by supervisors. Quality control samples may be requested upon demand.
8. For all California adults the type of information collected for the Tracking Study may include; game and advertising awareness, attitudes towards the Lottery, and demographics. For players, additional information may include spending, game attitudes and play intent.
9. Monthly data collection logs which gauge the productivity of the sample must be maintained and provided to the Lottery along with the data files.
10. Contractor must provide the ability to augment the sample on short notice (1 day or less). The augment may require as many as 300 additional surveys to be completed within 2 to 5 days. Data files as described in item #16 need to be available within 1 to 3 days following the completion of data collection.
11. Contractor needs to have the ability of compiling data and providing data files in an SPSS compatible format as well as cross tabulations of the data.
12. Contractor needs to have the capability of providing special analyses and a report on such findings using the survey data collected over a year.

Specifications for the Communications Effectiveness Study:

1. English language surveys will be Internet-based.
2. Spanish language surveys can be conducted either over the phone, via the Internet or in person.

3. Surveys do not need to be conducted in any other languages than English and Spanish. Approximately 20% of all surveys must be conducted in Spanish.
4. Demographic quotas are set for gender, age and ethnicity. In addition, gender and age quotas within ethnicity are required. The quotas are to be maintained monthly. There are no quotas maintained geographically.

The table below depicts the demographic quotas for a sample size of 300 based on California's 2009 population. The total number of respondents may change over time due to population changes. Again, these quotas are based on 2009 population figures.

The monthly quotas overall must be met. The number of respondents in the subsets of age may vary to a degree as long as the overall quota is met. For instance, 96 respondents are required in the 18-34 quota, 41 may be ages 18-24 and 55 may be between the ages of 25-34. The overall quota of 96 respondents age 18-34 is met as required. The total quotas by age, ethnicity and gender must be met.

Overall Monthly Quotas Based on a Sample of 300

<u>Quotas by Age</u>	
<u>18 - 34</u>	<u>96</u>
↑ 18-24 yr olds	38 - 44
↑ 25 -34 yr olds	52 - 58
<u>35 - 54</u>	<u>119</u>
↑ 35 - 44 yr olds	57 - 65
↑ 45 - 54 yr olds	54 - 62
<u>55 and over</u>	<u>85</u>
↑ 55 - 64 yr olds	36 - 44
↑ 65 or older	41 - 49
<u>Quotas by Ethnicity</u>	
White	137
Hispanic	97
Asian	39
African-American	19
Other	8
<u>Quota by Gender</u>	
Women	152
Men	148

(↑ - totals to the net quota)

See the detailed chart below. The aggregate number of target respondents in the row and column marked "Total" must be reached monthly. There may be fluctuation within the respondent numbers that sum to the aggregate total. The ranges as listed are within the acceptable limits but are not exclusive to each other (in the 35-54 age group-you could not have 55 white men, 42 Hispanic men, 17 Asian men, 8 African American men and 3 others because you would then have 120 respondents in the 35-54 age group 100% of them being men. So not only would the age quota be over the requirement, the respondents would not meet the gender quota and it would be overstated.)

	Total		White		Hispanic		Asian		African-American		Other	
Total	100%	300	46%	137	32%	97	13%	39	6%	19	3%	8
18 to 34	32%	96	24%	<u>32 - 34</u>	42%	<u>39 - 43</u>	32%	<u>11 - 13</u>	33%	<u>6</u>		<u>4</u>
18-24	14%	38 - 44	10%	13 - 15	18%	27 - 29	12%	4 or 5	15%	3		2
25-34	18%	52 - 58	14%	18 - 20	24%	22 - 24	20%	7 or 8	18%	3		2
35 to 54	40%	119	39%	<u>51 - 55</u>	41%	<u>38 - 42</u>	40%	<u>15 - 17</u>	42%	<u>8</u>		<u>3</u>
35-44	20%	57 - 65	18%	24 - 26	24%	22 - 24	21%	8 or 9	21%	4		1 or 2
45-54	19%	54 - 62	21%	28 - 30	17%	15 - 17	19%	7 or 8	21%	4		1 or 2
55 and Over	28%	85	37%	<u>49 - 53</u>	17%	<u>16 - 18</u>	28%	<u>10 - 12</u>	25%	<u>5</u>		<u>2</u>
55-64	13%	36 - 44	17%	22 - 24	9%	8 or 9	13%	5 or 6	13%	2 or 3		1
65+	15%	41 - 49	20%	27 - 29	8%	8 or 9	15%	5 or 6	12%	2 or 3		1
Female	51%	152	51%	70	49%	47	53%	21	52%	10	50%	4
Male	49%	148	49%	67	51%	50	47%	18	48%	9	50%	4
* Shaded area represents the number of target respondents based on a sample size of 300 - including both English and Spanish language interviews												
Source: California Department of Finance, E-3, May 2009 Release												

Note: "Other" includes Pacific Islanders, Native Americans and individuals identifying themselves as multi-racial

The Spanish language surveys have a gender only quota of 50/50.

5. The length and complexity of the English language Internet-based survey and the Spanish language survey are expected to be comparable to our current questionnaire. A recent sample of our survey is included. (See Sample Lottery Tracking Study Questionnaire, Exhibit E).
6. No open ended questions requiring coding will be included in the survey.
7. The frequency of data collection for the Tracking Study is to be continuous, in that the same number of interviews will be conducted each week. There are no daily quotas.
8. The Lottery may request clean, data files with pre-defined tab sets, with the ability to consolidate the data on a quarterly and or annual basis. The files should be compatible with SPSS under a Windows environment.
9. Data files from the preceding month are due no later than Friday of the first full week of the current month.
10. The Lottery may request the vendor to provide Master Banners as displayed in Part B of the Cost Proposal.

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 two (2) 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 Scope of Services, Exhibit A, for up to five one-year periods (not to exceed five years) from the Contract's expiration date pursuant to any limitations in the Contract, including without limitation, Cost Proposal, Attachment 1.

1.4 Emergency Extended Service

At the Lottery's discretion, Contractor must provide extended services for a period not to exceed nine (9) months from the effective date of the Contract termination or expiration. Services will continue to be provided by Contractor and paid for by the 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, must 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 Scope of Services, Exhibit A. In case of any discrepancies contained in Scope of Services, Exhibit A, the Contractor must 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 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, 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, this action is the sole responsibility of the Lottery's Contract Manager unless otherwise specified. Any action taken by any other Lottery employee in connection with the implementation of all aspects of this Contract without the specific written approval of the Lottery's Contract Manager is of no legal effect. The parties must 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 is 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 licensed to do business 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, a copy of the renewed licenses or permits.

3.4 Conflict of Interest

A. Prohibition against Follow-on Contracting

Contractor agrees that neither it nor any of its partners, subsidiaries or affiliates will submit proposals or bids for work on any projects for which Contractor provides consulting services under this Contract. This agreement will remain in force for one year after the completion of this Contract.

B. Compliance with Conflict of Interest Code

The Political Reform Act, Government Code Sections 81000, et seq., requires the Lottery to adopt a conflict of interest code (Exhibit C). The terms of 2 CCR Section 18730 and any amendments to it duly adopted by the Fair Political Practices Commission are hereby

adopted by the Lottery and incorporated by reference into the Lottery's Conflict of Interest Code.

Certain designated Lottery employees and Lottery Contractors are required to file statements of economic interest with the Lottery, which are available for public inspection and reproduction (Government Code Section 81008.) Contractor and its employees, as consultants to the Lottery, agree to provide statements of economic interests as required by the Lottery and by California law.

3.5 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.

3.6 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.

3.7 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.

3.8 Nondisclosure of the Lottery's Plans

Contractor must use its best efforts to ensure that the details of the advertising and promotional 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 the research survey is necessary, until the Lottery announces same. Contractor must ensure that its employees, agents and subcontractors adhere to this requirement.

4. FISCAL PROVISIONS

4.1 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.

4.2 Frequency of Payment

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

4.3 Payment

Contractor will be paid in accordance with Cost Proposal, Attachment 1. 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.

4.4 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.

4.5 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 these sections. The Contractor agrees to abide by these conditions and to provide the information requested for those tax-reporting requirements.

4.6 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 a 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.

4.7 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.

4.8 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 will 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 Tax Bureau
P.O. Box 778
Sacramento, CA 95812-0778**

Documents necessary to support and substantiate each invoice must be sent with the invoice. 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.

5. LOSS PREVENTION

- A. The Contractor must acquire and maintain insurance coverage as set forth in this section and following subsections, and will defend, indemnify and hold the Lottery harmless pursuant to the 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 can not adjust insurance liability limits without prior written approval of the Lottery Contract Manager.

5.1 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.

5.2 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.

5.3 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 will 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 can execute against the acceptable security for any loss of revenue resulting from any material error, breach, violation, or failure to perform under the Contract.

5.4 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 these 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; (ii) Contractor is not adequately defending the Lottery's interests; or (iii) an important 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.

6. CONTRACT OVERSIGHT

6.1 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 must immediately be removed from the Contract and all facilities. All subcontracts must include a

provision implementing this right.

Bidder and subcontractor personnel can 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.

6.2 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 is not limited to problems and future performance under the contract and any other subject relating to the completion of tasks under this contract. The evaluation will be written and 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.

6.3 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.

6.4 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 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 will 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.

6.5 Records Audit Provisions

During the Contract's term, and for four (4) years after, 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.

6.6 Dispute Resolution

If a dispute arises out of this Contract that remains unresolved after good faith negotiations between the 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.

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

6.7 Notice of Delay

Whenever the Contractor has knowledge that any actual or potential situation, including but not limited to labor disputes, will delay or threaten 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.

7. EXPIRATION OR TERMINATION OF CONTRACT

7.1 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).

7.2 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 goods, on an emergency or interim basis, for the services and 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 goods. The Lottery may also collect actual costs, including administrative expenses and re-procurement costs, incurred to process and procure replacement services and goods. The Lottery may collect money 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 any (1) completed or partially completed goods and/or materials; and (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. 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.

7.3 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 the 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.

7.4 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. The termination notice will 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 these expenses lies within the sole discretion of the Lottery. Contractor must submit proof of the 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.

7.5 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.

8. MISCELLANEOUS PROVISIONS

8.1 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.

8.2 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.

8.3 Waiver of Provisions

No term or provision of this Contract will be deemed waived and no breach excused, unless the 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 the 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.

8.4 Order of Precedence

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

A. Terms of this Contract.

B. Lottery's Request for Proposal RFP #2246 dated December 21, 2009, and any addenda thereto.

C. Contractor's response to RFP #2246 and any clarifications/amendments submitted in response to requests by the Lottery.

If there are any inconsistencies or ambiguities in the Contract, the Contract will 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.

8.5 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 #: ()
FAX #: ()
Attention:

CONTRACTOR

8.6 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, the invalidity will not affect other provisions which can be given effect without the invalid provisions, and to this end, the provision is declared to be severable.

8.7 Execution of Counterparts

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

8.8 Sections and Subsection Headings

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

8.9 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 written requests to assign the contract, to the Lottery Contract Manager. The Contractor must not take any action to complete assignment of the contract without prior written approval from the Lottery.

8.10 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 to 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 if the estimated subcontracted amount is over \$100,000 or \$100,000 per project if the Contractor is paid per successful completion of a project in accordance with the Cost Proposal, Attachment 1. The Lottery Competitive Bidding Procedures may be found on the Lottery's web site at www.calottery.com/Media/Publications/LotteryRegulations.

Nothing contained in the Contract creates 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 has no obligation to pay or to secure payment of any money to any subcontractors.

8.11 Independent Contractor

Contractor is an independent Contractor of the Lottery in the performance of the Contract. Contractor has 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.

8.12 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.

8.13 Travel and Expenses

The Contractor will not be compensated separately by the Lottery for travel time, mileage, meals, or incidentals.

8.14 Standards of Conduct

The Contractor is responsible for maintaining satisfactory standards of employee competency, conduct, appearance and integrity, and is responsible for taking such disciplinary action with respect to employees as may be necessary.

8.15 Nonexclusive Rights

Contractor understands and agrees that the Lottery does not grant the Contractor exclusive rights to provide all those services listed in Scope of Services, Exhibit A, 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 will determine, in the best interest 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 does not constitute a breach of the Contract.

9. Intellectual Property

9.1 Ownership

All financial, statistical, personal, technical and other data relating to the Lottery's operations made available to the Contractor in carrying out this Contract must be protected by the Contractor from disclosure to third parties except as expressly authorized by the Lottery in writing.

All data collected and analyzed under this Contract is owned by the Lottery. Other than in performing services directly related to carrying out this Contract, the Contractor may not use data and analysis from the Tracking Study for other studies nor divulge any data or findings to other parties, unless written permission has been granted by the Lottery.

The Lottery owns and retains 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 all and 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 the 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 is 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 the 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.

9.2 Detail of Rights

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

- A. Copyright. The Lottery is 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 have no objection to publication, use and exploitation of the Work Product as contemplated by this Agreement; (ii) they will remain anonymous authors without attribution or credit, acknowledging that the Lottery or its designees may be designated as the author; (iii) the 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 the Lottery or its successors, assigns or licensees see fit; without any right of approval, withdrawal or public renunciation by such person; 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 the Lottery under

applicable law, then Contractor waives and agrees never to assert such rights against the 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. The Lottery is 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 the Lottery, Contractor is deemed to have retained rights in any portion of the Work Product, Contractor grants to the 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. The Lottery is 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 the Lottery, Contractor will deliver to the 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 will maintain the Work Product and other materials of the Lottery in accordance with the Lottery's information security requirements and will certify in writing, compliance with these requirements upon request.
- F. Applications, Renewals, Further Assignments and Transfers. The rights vested in, assigned to, transferred and/or licensed to the Lottery 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 these 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 these 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 the Lottery to third parties as it sees fit, and the Work Product is expressly acknowledged to be specially ordered and commissioned by the Lottery.

9.3 Acknowledgments

Contractor acknowledges and agrees that the 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 of in any form, or any 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 the 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 the Lottery.

9.4 Further Assurances

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

9.5 Third-Party Materials

Contractor will not disclose to the 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 this 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 the Lottery to utilize the Third Party Materials as contemplated under this Agreement at no additional cost to the Lottery; (c) the 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 the Lottery to any obligation or liability; and (d) such Third Party Materials are specifically identified to the Lottery in writing in advance of any use and the Lottery has agreed in writing to such use and approved the written agreement for such Third Party Materials. Contractor hereby grants to the Lottery a perpetual, irrevocable, sub-licensable, 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 the Third-Party Materials as incorporated in the Work Product or any derivatives or reuses by the Lottery or its successors, assigns or licensees in all media whether now known or hereafter devised. The Lottery reserves the right to designate particular Third Party Materials to be licensed on an exclusive basis. For the avoidance of doubt, the Lottery requires 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.

9.6 Transfers and Consents

Contractor must secure in writing, in a form satisfactory to the 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 6.3. Without limitation, Contractor will 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 the works vest in Contractor as the employer and are fully transferable, and Contractor will secure the 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 the Lottery with copies of all such contractual documentation and will include the Lottery as a third-party beneficiary of such agreements or cause such parties to execute a further acknowledgment and assignment for the benefit of the Lottery if requested.

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.

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 is 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

(current as of July 21, 2005)

Exhibit D

CALIFORNIA 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 ventures.
 - (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

SAMPLE LOTTERY TRACKING STUDY QUESTIONNAIRE

CALIFORNIA STATE LOTTERY

Date
ADI
ZIP
FIPS
Cross-Section
Augment
Ethnic Augment

ETHNIC GROUP
White/Asian/Other 1
Hispanic 2
Black 3

SEX
Male 1
Female 2

PHONE: _____

INTERVIEWER: _____ DATE: _____

CALIFORNIA STATE LOTTERY CONTINUOUS TRACKING STUDY

SCREENER MODULE

SCR(A) May I speak with someone in your household who is at least 18 years of age?
Speaking
I'll get him/her
Not available

[IF "SPEAKING", CONTINUE]

[IF "GET HIM/HER", REPEAT INTRO]

[IF "NOT AVAILABLE", RECORD SCR.(B), THEN ARRANGE CALLBACK]

SCR(B) Gender
[DO NOT ASK – WATCH 50/50 QUOTAS]

Male 1
Female 2

2. Do you live in the state of California?

Yes 1
No 2

IF NO/DK TERMINATE AND TALLY

5. ASK EVERYONE

So that we may include the opinions of all groups of Californians, which of the following do you consider yourself to be: White, Hispanic, African-American or Black, Asian, or a member of some other ethnic group.

(IF RESPONDENT MENTIONS THEY ARE AMERICAN, PROBE WITH: "I understand you are American but which of the following do you consider yourself to be: White, Hispanic, African-American or Black, Asian, or a member of some other ethnic group.")

White (Also include: Caucasian)

Hispanic (Also include: Hispano, Mexican, Mexican American, Chicano, Puerto Rican, Cuban, Spanish,

Spanish American, Latino)

African-American or Black

Asian (Also include: Oriental, Filipino, Pacific Islander, Japanese, Chinese, Korean, Vietnamese, Middle Eastern, Indian)

American Indian (DO NOT READ Also include: Native American)

Or some other ethnic group

[DO NOT READ] REFUSED

[IF REFUSED, PLACE INTO WHITE/OTHER. CHECK QUOTAS NEEDED.]

ASK DM10 – DM12 AND 1C IF "HISPANIC" AT Q5, ELSE GO TO NEXT SECTION

DM10. Thinking about your personal language use including in the home and away from home, would you say you speak: READ LIST:

Only Spanish

Mostly Spanish but also some English

Equally in Spanish and English _____

Mostly English but also some Spanish

Only English

(DO NOT READ) DON'T KNOW _____

(DO NOT READ) REFUSED

DM11. Thinking about habits in regards to Spanish-language television and radio, would you say you watch Spanish television and listen to Spanish radio: READ LIST:

Daily

Regularly (2 to 5 times a week) _____

Occasionally (once a week to once every two weeks)

Rarely (less than once every two weeks)

Never

(DO NOT READ) DON'T KNOW _____

(DO NOT READ) REFUSED

DM12. Now I would like to ask about typical Latin food, that is food that is traditional in Mexico or other Latin American countries including such dishes as tacos, enchiladas, beans, tortillas, salsas, fried plantains, etc. Would you say that you personally eat typically Latin food: READ LIST:

Daily

Regularly (2 to 5 times a week) _____

Occasionally (once a week to once every two weeks)

Rarely (less than once every two weeks)

Never

(DO NOT READ) DON'T KNOW _____

(DO NOT READ) REFUSED

1c. **IF HISPANIC AT Q5:** Would you prefer to continue the interview in English or Spanish?
LANGUAGE

ENGLISH

SPANISH **RECORD CALLBACK FOR SPANISH INTERVIEW**

**IF DK/REF/NO, THANK AND TERMINATE
SCREENER COMPLETE.**

[Q7 AND Q7a ARE TO BE ASKED IN A LOOP BEFORE CONTINUING ON TO NEXT ITEM ON THE LIST.]
IF Q7=YES THEN ASK Q7b, ELSE GO TO NEXT ITEM.]

7. In the past year, have you...**READ LIST.**

FOR EACH “YES” IN Q.7, ASK:

7a. Have you done this in the past 4 weeks?

RANDOMIZE

Played any California Lottery game?

Gone to Horse Races?

Gone to casinos in Nevada such as Caesars Palace?

Gone to California casinos on Indian reservations?

Played poker at home, at a casino, on the Internet or any other location?

Yes

No

GAME AND AD AWARENESS/PLAYERSHIP MODULE

[ASK Q8 IF “PLAYED CALIFORNIA LOTTERY IN PAST YEAR”=YES IN Q.7, ELSE GO TO Q10]

8. Which types of California Lottery games have you played in the past year? **PROBE:** What else?
DO NOT READ LIST, RECORD ALL MENTIONS

SHOW CODE LIST FOLLOWING Q15a.

8a. **IF SPECIFIC SCRATCHER GAME IS MENTIONED BUT SCRATCH-OFF OR SCRATCHERS ARE NOT MENTIONED, ASK:** [You mentioned (NAME OF SPECIFIC SCRATCHERS GAME FROM Q8)], what type of game is that? **DO NOT READ LIST.**

SCRATCH-OFF/SCRATCHERS
ANY OTHER MENTIONS

IF MENTION MULTIPLE SPECIFIC SCRATCHER GAMES IN Q.8, ONLY ASK Q.8a ONCE.

[IF MENTIONED ANY GAME IN Q.8, ASK Q.9, IF NO GAMES MENTIONED AT Q8, GO TO Q10]

1. Which types of California Lottery games if any, have you played in the past 4 weeks? **PROBE:** What else?

DO NOT READ LIST, RECORD ALL MENTIONS.

SHOW LIST AFTER 15a

[IF SPECIFIC SCRATCHER MENTIONED IN Q8 AND ASKED IN Q8a AND MENTIONED AGAIN IN Q9, DO NOT ASK Q9a FOR THE SAME SCRATCHER GAME.]

9a. **IF SPECIFIC SCRATCHER GAME IS MENTIONED BUT SCRATCH-OFF OR SCRATCHERS ARE NOT MENTIONED, ASK:** [You mentioned (NAME OF SPECIFIC SCRATCHERS GAME FROM Q9)], what type of game is that? **[DO NOT READ LIST.]**

SCRATCH-OFF/SCRATCHERS
ANY OTHER MENTIONS

[IF MENTION MULTIPLE SPECIFIC SCRATCHER GAMES IN Q.9, ONLY ASK Q.9a ONCE].

[ASK EVERYONE]

10. What (**READ “other” IF GAMES MENTIONED AT Q8, Q9**) California Lottery games come to mind? **PROBE:** What other current California Lottery games can you think of? **DO NOT READ LIST, SELECT ALL THAT APPLY, AUTOMARK GAMES MENTIONED AT Q8 AND Q9 ON LIST**

SHOW LIST FULL AFTER 15a, RECORD ALL MENTIONS

[IF SPECIFIC SCRATCHER MENTIONED IN Q9 AND ASKED IN Q9a AND MENTIONED AGAIN IN Q10, DO NOT ASK Q10a FOR THE SAME SCRATCHER GAME.]

10a. IF SPECIFIC SCRATCHER GAME IS MENTIONED BUT SCRATCH-OFF OR SCRATCHERS ARE NOT MENTIONED, ASK: [You mentioned (NAME OF SPECIFIC SCRATCHERS GAME FROM Q10)], what type of game is that? **DO NOT READ LIST.**

SCRATCH-OFF/SCRATCHERS
ANY OTHER MENTIONS

IF MENTION MULTIPLE SPECIFIC SCRATCHER GAMES IN Q.10, ONLY ASK Q.10a ONCE.

ASK EVERYONE

11. Which, if any, California Lottery games you seen or heard advertising for either on the radio or television in just the past 4 weeks? RECORD ALL MENTIONS

SHOW LIST AFTER 15a

[IF SPECIFIC SCRATCHER MENTIONED IN Q10 AND ASKED IN Q10a AND MENTIONED AGAIN IN Q11, DO NOT ASK Q11a FOR THE SAME SCRATCHER GAME.]

11a. IF SPECIFIC SCRATCHER GAME IS MENTIONED BUT SCRATCH-OFF OR SCRATCHERS ARE NOT MENTIONED, ASK: [You mentioned (NAME OF SPECIFIC SCRATCHERS GAME FROM Q11)], what type of game is that? **DO NOT READ LIST.**

SCRATCH-OFF/SCRATCHERS
ANY OTHER MENTIONS

IF MENTION MULTIPLE SPECIFIC SCRATCHER GAMES IN Q11, ONLY ASK Q.11a ONCE.

AUTOMARK Q14 FOR GAMES MENTIONED AT Q8 AND Q9, ASK Q14 FOR ALL OTHER GAMES ON THE LIST. IF NO GAMES AUTOMARKED, ASK FOR ALL GAMES.

14. Just to check, have you played the (NAME) game in the past year? READ LIST. RANDOMIZE. RECORD ALL MENTIONS

Scratch-off/Scratchers game
Super Lotto
Fantasy Five
Daily Derby
Daily 3
Daily 4
Hot Spot
Mega Millions
(DO NOT READ) None

[PROGRAMMER NOTE: IF MENTIONED, SCRATCH-OFF/SCRATCHERS GAME 8a, 9a, DO NOT ASK SCRATCH-OFF GAME. IF MENTIONED LOTTO, SUPER LOTTO, SUPER LOTTO PLUS, LOTTO (OTHER MENTIONS) AT Q8 OR Q9 DO NOT ASK SUPER LOTTO AT Q14]

ASK IF ANY GAME MENTIONED IN Q.8 OR Q.9 OR “YES” TO ANY GAME IN Q.14:ASK FOR ALL GAMES

15. Have you played the (NAME) game in the past 4 weeks? READ LIST. RANDOMIZE. RECORD ALL MENTIONS

Scratch-off/Scratchers game

Super Lotto

Fantasy Five

Daily Derby

Daily 3

Daily 4

Hot Spot

Mega Millions

(DO NOT READ) None

[ASK 15b IF “Make Me a Millionaire” not mentioned at Q8, 9, 10, 11 ASK, ELSE GO TO 15c]

15b. Do you recall seeing or hearing about the new \$1 Scratcher Make Me a Millionaire available from the California Lottery?

Yes

No

DK/REF

[ASK 15c IF “Make Me a Millionaire” NOT MENTIONED AT Q8, Q9 OR 15b=YES, ELSE GO TO 15d]

15c. Have you played the Make Me a Millionaire Scratcher available from the California Lottery?

Yes

No

DK/REF

[ASK 15d IF YES=15b, ELSE GO TO FM1a]

15d.. Until now, were you aware that by playing the “Make me a Millionaire” Scratcher ticket you have chance to be on a new TV game show?

Yes

No

DK/Ref

ASK EVERYONE

FM1a. Until now were you aware that California Lottery has a TV game show?

Yes
No
DK/Ref

[ASK FM1b, IF FM1a=YES, ELSE GO TO Q15a]

FM1b. Have you watched the new California Lottery TV show “Make Me a Millionaire”?

Yes
No
DK/Ref

ASK FM1c IF FM1a=YES, ELSE GO TO NEXT QUESTION

FM1c. We would like to find out your opinions about the “Make me a Millionaire” TV show by asking you to indicate how much you agree or disagree with some statements about it. If you agree very strongly with the statement, you would give it a 10. If you disagree very strongly, you would give it a 1. Or, you may use any number between 10 and 1 that best describes how much you personally agree or disagree with that statement. Would you like me to repeat the scale? **IF YES, REPEAT.**

READ EACH STATEMENT. STATEMENTS ARE RANDOMIZED

[SCALE 1 – 10]

Make Me a Millionaire is an exciting game show
Is a game show where people win a lot of money
Make Me a Millionaire is a show I’d like to be on
The Make Me a Millionaire show is more entertaining than the Big Spin game show
People like me are winning on the Make Me a Millionaire game show
Is a game show I plan to watch in the future

Q.8Q.9	Q.10	Q.11	Q.12	Q.13	Q.14	Q.15			
	Unaided	Unaided	Unaided	Unaided	Aided		Aided	Aided	Aided
	Play -	Play -	Game	Ad	Game		Ad	Play -	Play
	Past Year	Past 4 Wks	Aware	Aware	Aware		Aware	Past Year	Past 4 Wks

HARD CODE LIST

Scratch-off/Scratchers game
 Super Lotto
 Super Lotto PLUS
 Lotto (OTHER MENTIONS)
 Fantasy Five
 Daily Derby
 Daily 3
 Daily 4
 Hot Spot
 Mega Millions
 Keno
 Decco
 Quick Pick

16. Which one of the following statements best describes your overall feeling toward the California Lottery? Are you... **READ LIST: (INTERVIEWER NOTE: WATCH REVERSE CODE)**

Very positive
 Somewhat positive
 Neither positive or negative
 Somewhat negative
 Very negative
(DO NOT READ) DON'T KNOW

[ASK IF NO GAMES MENTIONED IN Q.8 AND Q.9 OR NO TO ALL IN Q.14, ELSE GO TO Q18]

17. Since the California Lottery started, have you bought a ticket for any one of the Lottery games?

YES 1
 NO 2
(DO NOT READ) DON'T KNOW Y

18. You indicated that you have not played the Lottery in the past year. How likely are you to play the Lottery in the future?

Definitely will play
 Probably will play
 Might or might not play
 Probably will not play or
 Definitely will not play
(DO NOT READ) DON'T KNOW

ASK EVERYONE

XX1. We would like to find out your opinions about the California State Lottery by asking you to indicate how much you agree or disagree with some statements about it. If you agree very strongly with the statement, you would give it a 10. If you disagree very strongly, you would give it a 1. Or, you may use any number between 10 and 1 that best describes how much you personally agree or disagree with that statement. Would you like me to repeat the scale? **IF YES, REPEAT.**

READ EACH STATEMENT. RANDOMIZE.

[SCALE 1 – 10]

ROTATE BLOCKS A AND B SO THAT HALF OF ALL RESPONDENTS ANSWER EACH BLOCK. RANDOMIZE STATEMENTS WITHIN EACH BLOCK

BLOCK A

It's fun to play Lottery games
The Lottery games are played by people like me
Playing Lottery games is worth the money just for the entertainment
I like having a selection of different Lottery games to pick from
Some day I might win a big prize playing Lottery games
Everybody has an equal chance in the Lottery games
I like to play Lottery games with my family or friends
The Lottery is convenient to play
The Lottery creates winners everyday
I hear about winners from my part of the State of California
There are new things happening at the Lottery
The Lottery is being run professionally
The Lottery is run very fairly

BLOCK B

The Lottery is doing what is required by State law
The way Lottery prizes are paid is honest and fair
The Lottery doesn't listen to its players
The people running the Lottery are doing a good job
Playing Lottery games helps the schools and education
The variety of games makes playing the Lottery too confusing
Playing the Lottery doesn't take much time
The Lottery is available in stores where I usually go
California would miss the Lottery if it went away
The Lottery is well managed
I trust the Lottery
The Lottery is dedicated to supporting education
The Lottery is committed to the community

XX2. What percentage of California Lottery ticket sales goes towards **READ ITEM, ROTATE.** (For example 10%, 50% etc.). And what percentage of ticket sales do you think goes towards **[SUM OF EDUCATION AND PRIZES MUST NOT EXCEED 100% , BUT CAN BE LESS THAN**

100%. IF RESPONDENT ANSWERS 100% TO FIRST ITEM DO NOT ASK SECOND ITEM.]

Education

Prizes

[NUMERIC RANGE 0-100]

GAME MODULES

[ASK EVERYONE GAME MODULES S, L AND NMM]

Section S: Scratch-off Module

Section L: Super Lotto

Section NMM: Mega Millions

RANDOMIZE ORDER OF ALL MODULES FOR RESPONDENTS

SECTION S: SCRATCH-OFF MODULE

ASK EVERYONE

[ASK S3, S4, S6 IF “YES” TO PLAYED ANY CALIFORNIA LOTTERY GAME AT Q7 OR “YES” TO ANY GAME AT Q14, ELSE GO TO S7]

Now, I want to ask you a few questions about the Lottery’s Scratchers or Scratch-off games. Please don’t include any other Lottery games in your answers.

S3. How likely are you to play Scratchers games from the Lottery in the future? Do you think you... **READ LIST**

(INTERVIEWER NOTE: WATCH REVERSE ORDER OF CODES)

Definitely will play

Probably will play

Might or might not play

Probably will not play, or

Definitely will not play

(DO NOT READ) DON'T KNOW

S4. Now I'm going to read some statements about Scratchers or Scratch-off games. Please tell me how much you agree or disagree with each one, using a 10-point scale, where 10 means agree very strongly and 1 means disagree very strongly. You may use any number between 10 and 1. Would you like me to repeat the scale? **IF YES, REPEAT.**

READ EACH STATEMENT. [STATEMENTS ARE RANDOMIZED.]

SCALE 1 – 10

It's fun to play

The Scratch-off games are played by people like me.

I look forward to the feeling of excitement just before I know if I've won.

Playing is worth the money, just for the entertainment.

There are pretty good odds of winning a good prize.

I like being able to choose among different Scratch-off games.

The variety of current Scratchers makes its hard to choose which one to buy

It is easier to win a good prize in Scratchers now than it was a year ago

Compared to a year ago there are now more ways to win playing Scratchers

I am optimistic that I might win a good prize playing Scratchers

It is hard to figure out if I have won or not

I like it when the Lottery comes out with new Scratchers

Scratchers tickets make good gifts

S6. On average, how often do you buy Scratch-off game tickets?

READ UNTIL INTERRUPTED

Everyday

Twice a week or more often

Once a week

2-3 times per month

Once a month
5-11 times per year
2-4 times per year
Once a year
Less often than once a year, or
Never
(DO NOT READ) DON'T KNOW

[ASK IF PLAYED ANY SCRATCH-OFF GAME Q8/8A, Q14 OR Q9, Q15; ELSE SKIP TO QS7]
S6a In the past year have you played **[READ LIST]** Scratch-off games? **[DO NOT RANDOMIZE]**

RECORD ALL MENTIONS

\$1 Scratcher Games
\$2 Scratcher Games
\$3 Scratcher Games
\$5 Scratcher Games

Yes
No

ASK EVERYONE

S7. Until now, were you aware of the California Lottery's Replay program, which gives you a second chance to win prizes by registering your non-winning Scratchers on the Lottery website?

Yes
No
DK/Ref

[ASK QS8 – S9 IF YES TO QS7 AND YES TO ANY CALIFORNIA LOTTERY GAME AT Q7 OR ANY GAME AT Q14, ELSE GO TO S10].

S8. Have you ever registered your non-winning Scratchers online for a second chance to win prizes in the Replay program?

Yes
No
DK/Ref

S9. How likely are you to register your non-winning Scratchers online for a second chance to win prizes in the future? Do you think you...?

Definitely will register
Probably will register
Might or might not register
Probably will not register or
Definitely will not register
(DO NOT READ) DON'T KNOW

[ASK S10 IF NO TO ANY CALIFORNIA LOTTERY GAME AND NO TO ALL AT Q14, ELSE GO TO NEXT SECTION]

S10. Given the California Lottery's Replay program, which gives you a second chance to win prizes by registering your non-winning Scratchers on the Lottery's website, how likely are you to play Scratchers in the future? Do you think you...(**READ LIST**) (**INTERVIEWER NOTE: WATCH REVERSE ORDER OF CODES**)

Definitely will play

Probably will play

Might or might not play

Probably will not play, or

Definitely will not play

(DO NOT READ) DON'T KNOW

SECTION

L: SUPER LOTTO MODULE

[ASK IF “YES” TO PLAYED ANY CALIFORNIA LOTTERY GAME AT Q7 OR “YES” TO ANY GAME AT Q14, ELSE GO TO NEXT SECTION]

The next questions are about Super Lotto Plus. For these questions we are talking about either SuperLotto or SuperLotto PLUS since they are the same game, we will just refer to both as SuperLotto. When you are answering, please think just about SuperLotto. Don't include Mega Millions or any other California Lottery game.

INTERVIEWER INSTRUCTION TO BE SHOWN ON EVERY SCREEN IN THE SUPER LOTTO MODULE: IF RESPONDENT QUESTIONS OR IS CONFUSED BY NEW SUPERLOTTO PLUS vs. SUPERLOTTO, CLARIFY WITH : “For these questions we are talking about either SuperLotto or SuperLotto PLUS, we will just refer to both as SuperLotto.”

L3. How likely are you to play Super Lotto in the future? Do you think you... **READ LIST:**
(INTERVIEWER NOTE: WATCH REVERSE ORDER OF CODES)

Definitely will play
Probably will play
Might or might not play
Probably will not play, or
Definitely will not play
(DO NOT READ) DON'T KNOW

L4. These next statements are about Super Lotto. Please tell me how much you agree or disagree with each one, using a 10-point scale, where 10 means agree very strongly and 1 means disagree very strongly. You may use any number between 10 and 1. Would you like me to repeat the scale? **IF YES, REPEAT.**

READ EACH STATEMENT. STATEMENTS ARE RANDOMIZED
SCALE 1 – 10

It's exciting to play
Super Lotto is played by people like me
Playing is worth the money, just for the entertainment
There are pretty good odds of winning a good prize
Playing Super Lotto gives a chance to dream or fantasize
Every Super Lotto jackpot is big enough to make me want to play
Hearing about winning makes me believe it can happen to me
Super Lotto is a game that creates many winners, not just one jackpot winner
I am optimistic that I might win one of the many prizes offered by Super Lotto
Playing Super Lotto makes sense because any size jackpot is a lot of money

L5a. On average, how often do you play SuperLOTTO? Would you say you play...**READ UNTIL INTERRUPTED**

Twice a week (**DO NOT READ Every jackpot draw**)
Once a week
More than once per month but less than weekly
Once a month
Less than once per month (**DO NOT READ Only when jackpot is big**)
Never
(**DO NOT READ**) DON'T KNOW

SECTION NMM: MEGA MILLIONS GAME MODULE

[ASK IF “YES” TO PLAYED ANY CALIFORNIA LOTTERY GAME AT Q7 OR “YES” TO ANY GAME AT Q14, ELSE GO TO NEXT SECTION]

The next questions are about the Mega Millions game being offered by the California State Lottery. When you are answering, please think just about the Mega Millions game. Don't include any other California Lottery game.

NMM5. How likely are you to play Mega Millions in the future? Do you think you... **READ LIST:**

(INTERVIEWER NOTE: WATCH REVERSE ORDER OF CODES)

Definitely will play

Probably will play

Might or might not play

Probably will not play, or

Definitely will not play

(DO NOT READ) DON'T KNOW

NMM6B. On average, how often do you play Mega Millions? Would you say you play... **READ UNTIL INTERRUPTED**

Twice a week (**DO NOT READ Every jackpot draw**)

Once a week

More than once per month but less than weekly

Once a month

Less than once per month (**DO NOT READ Only when jackpot is big**)

Never

(DO NOT READ) DON'T KNOW

PLEASE NOTE: SECTION MMJJ AND SECTION LJ QUESTIONS ARE TO BE SCRIPTED, BUT NOT ASKED UNTIL REQUESTED BY THE CALIFORNIA LOTTERY

**SECTION MMJJ: NEW MEGA MILLIONS JACKPOT AUGMENT MODULE
ASK ONLY DURING A MEGA MILLIONS JACKPOT AUGMENT
(USE WORDS IN ITALICS FOR DAY AFTER JACKPOT INTERVIEWING)**

ASK EVERYONE:

MMJJ1. To the best of your knowledge, how big <IS/WAS> the jackpot for <TUESDAY'S / FRIDAY'S / YESTERDAY'S> Mega Millions drawing?
(IF "NONE" ENTER "0". DO NOT ACCEPT A RANGE. IF NECESSARY, CLARIFY WITH)
"Your best guess will be fine."

(ENTER "DK" FOR "DON'T KNOW")

RANGE \$0 - \$800

(INTERVIEWER NOTE: RECORD AS MILLIONS OF DOLLARS, EG \$100 IS \$100 MILLION, ALLOW DECIMALS)

ASK IF DID NOT MENTION <\$XX> JACKPOT AMOUNT, DK OR REF IN Q.MMJ1, OTHERWISE SKIP TO QMMJ3:

MMJJ2. Actually, < TUESDAY'S / FRIDAY'S / YESTERDAY'S > Mega Millions jackpot <WILL BE / WAS> about <\$XX> million dollars. Did you happen to hear anything about <THIS / THAT> <\$XX> million dollar jackpot?

YES

NO

DON'T KNOW

ASK EVERYONE:

MMJJ3. Would you say that,< TUESDAY'S / FRIDAY'S / YESTERDAY'S > <\$XX> million dollar jackpot <IS / WAS> bigger, about the same, or smaller than the average jackpot?

Bigger than the average jackpot

About the same as the average jackpot

Smaller than the average jackpot

(DO NOT READ) DON'T KNOW

MMJJ3A. Would you expect this size of jackpot would occur...?

Much more often in the next 12 months than it has in the past 12 months

A little more often

About the same

A little less often, or

Much less often in the next 12 months than it has in the past 12 months

(DO NOT READ) DON'T KNOW

MMJJ3B. How do you find out what the Mega Millions jackpot amount is? PROBE: How else do you find out what the Mega Millions jackpot amount is?- **DO NOT READ LIST – CODE ALL THAT APPLY**

PRE-CODED LIST:

Hear the jackpot amount on the news on TV
Hear the jackpot amount on a TV commercial
Hear the jackpot amount on the radio news
Hear the jackpot amount from an announcer on the radio
Hear the jackpot amount on a radio commercial
See the jackpot amount on display at a retailer
See the jackpot amount on billboards
Ask a retailer what the jackpot is
Ask a relative or friend what the jackpot is
Check the Internet for the jackpot amount
Check the newspaper for the jackpot amount
Get the jackpot amount some other way (Specify)

(DO NOT READ) DON'T KNOW

ASK IF “SEE JACKPOT AMOUNT ON DISPLAY AT RETAILER” IN MMJJ3B:

MMJJ3B1. You mentioned you see the jackpot amount on display at a retailer. Where do you see it at the retailer? **READ LIST**

Computer screen or Television monitor
In-store signage/ posters
Both
Some other way

(DO NOT READ) DON'T KNOW

ASK IF “SEE JACKPOT AMOUNT ON BILLBOARDS” IN MMJJ3B:

MMJJ3B2. You mentioned you see the jackpot amount on billboards. Where do see them displayed? **READ LIST IF NECESSARY**

Outdoors
In-store
Other

(DO NOT READ) DON'T KNOW

MMJJ4. **<HAVE YOU BOUGHT / DID YOU BUY>** a Mega Millions ticket for **< TUESDAY'S / FRIDAY'S / YESTERDAY'S >** game?

Yes
No
DON'T KNOW

MMJJ4A1. **<HAVE YOU BEEN / WERE YOU>** part of a group that bought Mega Millions tickets as a group for **<THIS / THAT>** jackpot?

Yes
No
DON'T KNOW

MMJJ4.a/MMJJ5. – Deleted]

IF “NO” OR “DON’T KNOW/REF” TO BOTH Q.MMJJ4 AND Q.MMJJ4.1 SKIP TO Q.MMJ8.

ASK IF “YES” IN Q.MMJ4 OR MMJJ4a:

MMJJ6. How much **<HAVE YOU SPENT / DID YOU SPEND>** on **<TUESDAY’S /FRIDAY’S / YESTERDAY’S>** Mega Millions drawing?

DO NOT ACCEPT A RANGE. IF NECESSARY, CLARIFY WITH: “Your best guess will be fine”. IF RESPONDENT IS UNABLE TO GIVE AN ESTIMATE, ENTER “DK” FOR “DON’T KNOW.”

_____ dollars (**ACCEPTABLE RANGE FROM 1-999**)

[MMJJ7. Deleted]

ASK EVERYONE:

MMJJ8. Now, I'm just going to ask you about a few of the previous drawings over the past few weeks. To the best of your recollection, did you buy a ticket for... READ LIST, DO NOT RANDOMIZE

the \$XX million dollar jackpot held on <TUESDAY>, May 13 >
the \$XX million dollar jackpot held on <FRIDAY>, May 9 >
the \$XX million dollar jackpot held on <TUESDAY>, May 6 >
the \$XX million dollar jackpot held on <FRIDAY>, May 2 >
the \$XX million dollar jackpot held on <TUESDAY>, April 29 >
and how about the \$71 million dollar jackpot held on <FRIDAY>, April 25
the \$60 million dollar jackpot held on <TUESDAY>, April 22 >
and finally the \$48 million dollar jackpot held on <FRIDAY>, April 18 >

YES
NO

SUPER LOTTO JACKPOT AUGMENT MODULE
ASK DURING JACKPOT AUGMENTS ONLY
(USE WORDING IN ITALICS FOR DAY AFTER JACKPOT INTERVIEWING)

ASK EVERYONE:

LJ1. To the best of your knowledge, how big **<IS/WAS>** the jackpot for **<WEDNESDAY'S / SATURDAY'S / YESTERDAY'S>** Super Lotto drawing?

(IF "NONE" ENTER "0". DO NOT ACCEPT A RANGE. IF NECESSARY, CLARIFY WITH)
"Your best guess will be fine."

(ENTER "DK" FOR "DON'T KNOW")

(INTERVIEWER RECORD AS MILLIONS OF DOLLARS. EG. \$100 is \$100 MILLION, ALLOW DECIMALS)

RANGE \$0 - \$800 MILLION

ASK IF DID NOT MENTION <\$XX> JACKPOT AMOUNT IN Q.LJ1, OTHERWISE SKIP TO Q.LJ3:

LJ2. Actually, **< WEDNESDAY'S / SATURDAY'S / YESTERDAY'S >** Super Lotto jackpot **<WILL BE / WAS>** about **<\$XX>** million dollars. Did you happen to hear anything about **<THIS / THAT>** **<\$XX>** million dollar jackpot?

YES

NO

DON'T KNOW

ASK EVERYONE:

LJ3. Would you say that **<WEDNESDAY'S / SATURDAY'S / YESTERDAY'S>** **<\$XX>** million dollar jackpot **<IS / WAS>** bigger, about the same, or smaller than the average jackpot?

Bigger than the average jackpot

About the same as the average jackpot

Smaller than the average jackpot

(DO NOT READ) DON'T KNOW

LJ3a. Would you expect this size of jackpot would occur...?

Much more often in the next 12 months than it has in the past 12 months

A little more often

About the same

A little less often, or

Much less often in the next 12 months than it has in the past 12 months

(DO NOT READ) DON'T KNOW

LJ3b How do you find out what the Super Lotto jackpot amount is? PROBE: How else do you find out what the Super Lotto jackpot amount is?- **DO NOT READ LIST – CODE ALL THAT APPLY**

PRE-CODED LIST:

Hear the jackpot amount on the news on TV
Hear the jackpot amount on a TV commercial
Hear the jackpot amount on the radio news
Hear the jackpot amount from an announcer on the radio
Hear the jackpot amount on a radio commercial
See the jackpot amount on display at a retailer
See the jackpot amount on billboards
Ask a retailer what the jackpot is
Ask a relative or friend what the jackpot is
Check the Internet for the jackpot amount
Check the newspaper for the jackpot amount
Get the jackpot amount some other way (Specify)

LJ4. **<HAVE YOU BOUGHT / DID YOU BUY>** a Super Lotto ticket for **< WEDNESDAY’S / SATURDAY’S / YESTERDAY’S >** game?

Yes

No

DON'T KNOW

LJ4x **<HAVE YOU BEEN / WERE YOU>** part of a group that bought Super Lotto tickets as a group for **<THIS / THAT>** jackpot?

Yes

No

(DO NOT READ) DON'T KNOW

[LJ4.a/LJ5. – Deleted]

[IF “NO” OR “DON’T KNOW/REF” TO BOTH Q.LJ4 AND .LJ4x SKIP TO LJ8.]

[ASK IF “YES” IN Q.LJ4 OR LJ4a]

LJ6. How much **<HAVE YOU SPENT / DID YOU SPEND>** on **<WEDNESDAY’S / SATURDAY’S / YESTERDAY’S>** Super Lotto drawing?

(DO NOT ACCEPT A RANGE. IF NECESSARY, CLARIFY WITH) “Your best guess will be fine”. **(IF RESPONDENT IS UNABLE TO GIVE AN ESTIMATE, ENTER “DK” FOR “DON’T KNOW.”)**

RANGE FROM 1-999

[LJ7. Deleted]

[ASK EVERYONE]

LJ8. Now, I'm just going to ask you about a few of the previous drawings over the past few weeks. To the best of your recollection, did you buy a ticket for... **READ LIST, DO NOT RANDOMIZE**

the \$XX million dollar jackpot held last <Wednesday> < June 21st >?

the \$XX million dollar jackpot held last <Saturday> < June 17th >?

the \$XX million dollar jackpot held last <Wednesday> < June 14th >?

the \$XX million dollar jackpot held last <Saturday> < June 10th >?

the \$XX million dollar jackpot held last Wednesday, June 7?

how about the \$XX million dollar jackpot held last Saturday, June 3?

the \$XX million dollar jackpot held last on <Wednesday, <May 31st>

the \$XX million dollar jackpot held last on <Saturday,>, <May 27th>?

the \$XX million dollar jackpot held last on <Wednesday>, <May 24th>?

the \$XX million dollar jackpot held last on <Saturday>, < May 20th >?

the \$XX million dollar jackpot held <Wednesday>, < May 17th >?

and how about the previous \$XX million dollar jackpot held on <Saturday >, < May 13th >?
and the \$XX million dollar jackpot held on <Wednesday>, < May 10th >?
and the \$XX million dollar jackpot held on <Saturday>, < May 6th>?
and how about the \$XX million dollar jackpot held on <Wednesday>, < May 3rd >?
and finally, the \$XX million dollar jackpot held on <Saturday>, < April 29th >?

YES

NO

DK

NOTE: Qs.LJ9-11 ADDED 10-12, THEN REMOVED

LJ9. In the past year, have you bought a SuperLotto ticket when the jackpot was...**READ LIST UNTIL FIRST "YES" RESPONSE.**

Less than \$10 million

\$10-19 million

\$20-29 million

\$30-49 million

\$50-80 million

More than \$80 million

(DO NOT READ) NEVER

(DO NOT READ) DON'T KNOW

SECTION W: CA LOTTERY WEBSITE MODULE

[ASK EVERYONE]

Now, I would like to ask you some questions about the Internet.

W1a. Do you currently have access to the Internet or online services?

Yes

No

DK

[ASK W2a IF YES AT W1a, ELSE GO TO NEXT SECTION]

W2a. Are you aware that the California Lottery has a website?

Yes

No

DK

[ASK W2 IF “YES” AT W2a, ELSE SKIP TO NEXT SECTION]

W2. Have you ever visited the California Lottery's website in the past year?

Yes

No

DK

[ASK W4 IF “YES” AT W2, ELSE SKIP TO NEXT SECTION]

W4 On average, how often do you visit the California Lottery website? **READ UNTIL INTERRUPTED**

Once per day or more often

A few times per week

Once per week

A few times per month

Once per month

Less than once per month

(DO NOT READ) DON'T KNOW

DEMOGRAPHICS MODULE

[ASK EVERYONE]

So that we may include the opinions of all groups of Californians in our survey, we would like to ask you a few questions just to divide our interviews into groups.

DM1a. Are you employed...(READ LIST)

[ALLOW ONE RESPONSE ONLY]

Full time

Part time

Retired

Homemaker

Student

Not currently employed

DM4. What is the last grade of school that you completed? **IF NECESSARY, READ LIST.**

Eighth grade or less

Some high school

Completed high school

Some college or trade (technical) school

Completed college

Post graduate work

(DON'T READ) REFUSED

DM5a. In what year were you born?

RECORD YEAR

RANGE 1900 - 1990

IF REFUSED ASK DM5, ELSE GO TO NEXT QUESTION

DM5. Please stop me when I get to the group that includes your age. **READ LIST.**

18 - 24

25 - 34

35 - 44

45 - 54

55 - 64

65 or over

(DON'T READ) REFUSED

**DM7. [ASK IF "ASIAN" IN Q.5, READ CO
AUTOMARK BASED ON Q5:]**

DES 4-8 and 11 and 12 ONLY, OTHERWISE

Which of the following do you consider yourself to be: **READ LIST: (IF RESPONDENT MENTIONS THEY ARE AMERICAN, PROBE WITH)** “ I understand you are American but which of the following do you consider yourself to be .

White (DO NOT READ Also include: Caucasian)	01	
Hispanic (DO NOT READ Also include: Hispano, Mexican, Mexican American, Chicano, Puerto Rican, Cuban, Spanish, Spanish American, Latino)	02	
African-American or Black.....	03	
Filipino.....		04
Pacific Islander.....	05	
Japanese	06	
Chinese.....		07
Korean		11
Vietnamese	12	
Other Asian (Also include: Oriental, Middle Eastern, Indian)	08	
American Indian (DO NOT READ Also include: Native American)	09	
Or some other ethnic group (SPECIFY)	10	
(DO NOT READ) REFUSED	99	

ASK EVERYONE

DM7a. Are you married, separated, divorced, widowed or have you never been married?
RECORD ONE RESPONSE ONLY

Married
Separated/divorced
Widowed
Single/never married
Refused

DM7. Including yourself, how many family members live in your household?
RECORD RESPONSE
RANGE 1 - 20

ASK DM7b IF DM7>1, ELSE GO TO DM8

DM7b. Are there children under the age of 18 living in this household?

Yes
No
(DO NOT READ) Refused

ASK DM7c IF DM7b=YES, ELSE GO TO DM8

DM7c. Can you please tell me the age of the youngest person who lives in this household?

RECORD RESPONSE, IF LESS THAN 1 YEAR OF AGE, RECORD NUMBER OF MONTHS

YEARS RANGE 1 - 99

MONTHS RANGE 1 - 12

ASK EVERYONE

DM8. Please stop me when I read the category that best describes your total household annual income before taxes. **READ UNTIL INTERRUPTED**

Less than \$20,000

\$20,000 but less than \$25,000

\$25,000 but less than \$30,000

\$30,000 but less than \$35,000

\$35,000 but less than \$40,000

\$40,000 but less than \$45,000

\$45,000 but less than \$50,000

\$50,000 but less than \$60,000

\$60,000 but less than \$75,000

\$75,000 but less than \$100,000

\$100,000 but less than \$150,000

\$150,000 or more

(DO NOT READ) REFUSED

DM9. SKIP

DM13. VERIFY PHONE NUMBER: (_ _ _) _ _ _ - _ _ _ _

DM14. RESPONDENT'S NAME:

DM15.

Thank you for your help!

ZIP CODE TO BE APPENDED FROM SAMPLE

Attachment 1

Cost Proposal

All costs identified in this Cost Proposal must cover all services outlined in Scope of Services, Exhibit A, including questionnaire design and revision as well as all administrative costs, subcontractor costs, overhead, travel and profit.

The Bidder shall complete the tables below so that the entries are already calculated as the total amount to be billed in a month. This means that the cost per interview will already be multiplied by the number of completed surveys.

PART A: CORE PRICING

In this scenario, the vendor will be responsible for the collecting the survey data and providing an SPSS file with pre-set variables already constructed. The vendor may propose to conduct the Spanish language interviews either via an internet methodology as the English language surveys or via the telephone using the RDD methodology.

	<u>Number of Variables</u>						
English Language	80-99	100-119	120-139	140-159	160-179	180-199	200-250
200 Surveys							
225 Surveys							
250 Surveys							
300 Surveys							
400 Surveys							
500 Surveys							
600 Surveys							

	<u>Number of Variables</u>						
Spanish Language	80-99	100-119	120-139	140-159	160-179	180-199	200-250
30 Surveys							
40 Surveys							
50 Surveys							
60 Surveys							
70 Surveys							
80 Surveys							
100 Surveys							

OR

	<u>Average Length of Interview (in minutes)</u>						
Spanish Language	12	14	16	18	20	25	30
30 Surveys							
40 Surveys							
50 Surveys							
60 Surveys							
70 Surveys							
80 Surveys							
100 Surveys							

A variable is counted for each question or portion of a question that is tabulated separately. For example, age would as one variable. But, a question containing 20 attribute statements would count as twenty variables. .

PART B: CORE PLUS TABULATION PRICING

In this scenario, the vendor will be responsible for the collecting the survey data, providing an SPSS file with pre-set variables already constructed and supplying 12 monthly and two annual cross-tabulations of the data. As in the Core Pricing Scenario, the vendor may propose to conduct the Spanish language interviews either via an internet methodology as the English language surveys or via the telephone using the RDD methodology.

The banner points to be used in the cross-tabulations are described after the table.

	<u>Number of Variables</u>						
English Language	80-99	100-119	120-139	140-159	160-179	180-199	200-250
200 Surveys							
225 Surveys							
250 Surveys							
300 Surveys							
400 Surveys							
500 Surveys							
600 Surveys							

	Number of Variables						
Spanish Language	80-99	100-119	120-139	140-159	160-179	180-199	200-250
30 Surveys							
40 Surveys							
50 Surveys							
60 Surveys							
70 Surveys							
80 Surveys							
100 Surveys							

OR

	Average Length of Interview (in minutes)						
Spanish Language	12	14	16	18	20	25	30
30 Surveys							
40 Surveys							
50 Surveys							
60 Surveys							
70 Surveys							
80 Surveys							
100 Surveys							

Master Banner

Total
 Ethnicity: White, Hispanic, Black, Asian
 Gender: Male, Female
 Age: 18-34, 35+, 35-54, 55+
 Income: Under \$50,000, \$50,000+
 Prospects – positive towards the Lottery and have not played in the past year
 Non-Prospects – neutral or negative towards the Lottery and have not played in the past year
 Scratchers: Played past 4 weeks, Played past year, Played Past year but not in past 4 weeks
 SuperLotto Plus: Played past 4 weeks, Played past year, Played Past year but not in past 4 weeks
 Mega Millions: Played past 4 weeks, Played past year, Played Past year but not in past 4 weeks
 Played Any Daily Game: Past 4 weeks, Past Year, Played Past year but not in past 4 weeks
 Played Any CSL Game Past Year: Yes, No
 Played Any CSL Game Past Month: Yes, No
 Lapsed Player: Played any CSL game past year but not in past 4 weeks

Cross-tabulations of the data with this banner will be provided monthly as well as a tabulation compiled for the calendar year and one compiled for the Lottery's Fiscal Year (July through June).

Player Banner

Scratchers: Played in past 4 weeks, played in past year
 SuperLotto Plus: Played in past 4 weeks, played in past year
 Mega Millions: Played in past 4 weeks, played in past year

Fantasy 5: Played in past 4 weeks, played in past year
Daily 3: Played in past 4 weeks, played in past year
Daily 4: Played in past 4 weeks, played in past year
Hot Spot: Played in past 4 weeks, played in past year

Cross-tabulations of the data with this banner will be twice a year – once for the calendar year and once for the Lottery’s Fiscal Year (July through June).

PART C: CORE PLUS TABULATION AND AN ANNUAL ANALYSIS

Additional charge for conducting one
special analysis of the annual Tracking Study data _____

This cost for this special analysis must include any additional data tabulations needed as well as staff time to conduct the analysis and write a report. The topic for this analysis will be agreed upon by the Lottery and contractor prior to it being started. This topic is likely to vary from year to year.

PART D: PRICING FOR THE EXTENSION YEARS

Annual Percentage cost of living increase, if any,
beginning in Contract Year 3 (starting July 1, 2012) _____

Attachment 2**Certification
(Page 1 of 2)**

Name of Company: _____

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)

(If more space is needed, attach page.)

In consideration for submitting a response to the RFP, the Bidder 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 is not liable for any of the costs incurred by Bidder in preparing, submitting, or otherwise participating in a response to this RFP.
- c. The Bidder's response to the RFP 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.
- 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 Bidder or competitor for the purpose of restricting competition or providing a competitive advantage.
- f. The Bidder has read the RFP, understands it and agrees to comply with all Terms and Conditions.

g. 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.

h. The Bidder agrees to the following "Confidentiality Statement":

I warrant my company and its employees will not disclose any document, diagrams, and relative information, made available to us 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.

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.

I further warrant that if my company is awarded the contract, it will not enter into any agreements or discussions with a third party concerning such materials prior to receiving written confirmation from the Lottery that such third party has an agreement with the Lottery similar in nature to this one.

i. The Bidder agrees to the following "Statement of Compliance":

I certify under penalty of perjury under the laws of the State of California that my company has, unless exempted, complied with the non-discrimination program requirements of Government Code section 12900 (a-f) and Title 2, California Code of Regulations, section 8103.

j. To the extent any part of its firm or group of companies with common or interlocking owners and/or managers has or will obtain another contract with the Lottery, the Bidder will maintain a complete separation of management between that contract and any contract awarded pursuant to RFP #2246.

By executing this certification, the Bidder submitting a proposal acknowledges that failure to comply with any of this certification's terms may result in disqualification from participation in the RFP.

Printed Name of Authorized Representative

Date

Signature of Authorized Representative

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 RESUME FORM

RFP #2246 Tracking Study Services

Agency _____

For each individual identified, the Bidder shall complete the provided resume form. This form includes the following information:

- Formal relevant education and level achieved
- Any academic honors received
- Work experience, with descriptive examples and time ranges
- A list of major projects while employed with that firm along with a list of clients, product categories and any unique research methodologies used
- Publications and related research products, such as formal presentations to market research peers
- Membership in professional associations
- Any professional awards related to market research

Employee Name					
Title					
# Years Experience					
% Time Dedicated to Lottery Account					
Education					
University or College: NAME & LOCATION OF BUSINESS, CORRESPONDENCE,, TRADE OR SERVICE SCHOOL	COURSE OF STUDY	UNITS COMPLETED		DIPLOMA, DEGREE OR	DATE
	SEM	ESTE R	QUARTER CE	RTIFICATE OBTAINED	COMPLETED
LIST BELOW VALID LICENSES, CERTIFICATES OF PROFESSIONAL OR VOCATIONAL COMPETENCE, OR MEMBERSHIP IN PROFESSIONAL ASSOCIATIONS					
LICENSE/CERTIFICATION NUMBER	DATE Completed	EXPIRATIO N DATE	<u>Institution, Organization, Course</u>		

EMPLOYMENT HISTORY--<i>Begin with your most recent job.</i>			
Company Name			
FROM (M/D/Y)	TO (M/D/Y)	JOB TITLE	
DUTIES			
Major Projects	Client	Date	Project
Project Details:			

Company Name			
FROM (M/D/Y)	TO (M/D/Y)	JOB TITLE	
DUTIES			
Major Projects	Client	Date	Project
Project Details:			

Additional Qualifications

Publications	Name of Publication	Date	Article Name	Topic

Awards/Recognition	Date	Organization	Project/Topic/Study



ATTACHMENT 5

(Page 1 of 5)

RFP #2246

Tracking Study Services

MANDATORY

DISABLED VETERAN BUSINESS
ENTERPRISE PARTICIPATION

3%

OR

GOOD FAITH EFFORT

Attachment 5

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 an 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 Cost Proposal. 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 7).

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 5

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 must 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 must 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 5
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 5
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 6

(Page 1 of 7)

RFP #3185 Tracking Study Services

SMALL AND MICROBUSINESS PARTICIPATION (SMP) (Optional)

Small Business Preference (SBP)
Non-small Business Preference

SBP Goal 25%

Attachment 6
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 6
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 6
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 6
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 6
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 _____

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 05/05)

Attachment 7

Confidential Contractor Disclosure

CONFIDENTIAL

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



***GENERAL CONTRACTOR
DISCLOSURE***

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.

CONTRACTOR DISCLOSURE

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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.				

CONTRACTOR DISCLOSURE

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	DIRECTOR - OFFICER LIST	
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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 ____
8880.57(a)(1)

NAME	DATE OF BIRTH	SOCIAL SECURITY NUMBER		
RESIDENCE STREET ADDRESS	CITY	STATE	ZIP CODE	TELEPHONE
BUSINESS STREET ADDRESS	CITY	STATE	ZIP CODE	TELEPHONE
POSITION HELD		PERCENTAGE OF STOCK HELD		

NAME	DATE OF BIRTH	SOCIAL SECURITY NUMBER		
RESIDENCE STREET ADDRESS	CITY	STATE	ZIP CODE	TELEPHONE
BUSINESS STREET ADDRESS	CITY	STATE	ZIP CODE	TELEPHONE
POSITION HELD		PERCENTAGE OF STOCK HELD		

NAME	DATE OF BIRTH	SOCIAL SECURITY NUMBER		
RESIDENCE STREET ADDRESS	CITY	STATE	ZIP CODE	TELEPHONE
BUSINESS STREET ADDRESS	CITY	STATE	ZIP CODE	TELEPHONE
POSITION HELD		PERCENTAGE OF STOCK HELD		

NAME	DATE OF BIRTH	SOCIAL SECURITY NUMBER		
RESIDENCE STREET ADDRESS	CITY	STATE	ZIP CODE	TELEPHONE
BUSINESS STREET ADDRESS	CITY	STATE	ZIP CODE	TELEPHONE
POSITION HELD		PERCENTAGE OF STOCK HELD		

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CONTRACTOR DISCLOSURE

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		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 TELEPHONE
BUSINESS STREET ADDRESS		CITY		STATE	ZIP CODE TELEPHONE
POSITION HELD				PERCENTAGE OF STOCK HELD	
NAME		DATE OF BIRTH		SOCIAL SECURITY NUMBER	
RESIDENCE STREET ADDRESS		CITY		STATE	ZIP CODE TELEPHONE
BUSINESS STREET ADDRESS		CITY		STATE	ZIP CODE TELEPHONE
POSITION HELD				PERCENTAGE OF STOCK HELD	
NAME		DATE OF BIRTH		SOCIAL SECURITY NUMBER	
RESIDENCE STREET ADDRESS		CITY		STATE	ZIP CODE TELEPHONE
BUSINESS STREET ADDRESS		CITY		STATE	ZIP CODE TELEPHONE
POSITION HELD				PERCENTAGE OF STOCK HELD	
NAME		DATE OF BIRTH		SOCIAL SECURITY NUMBER	
RESIDENCE STREET ADDRESS		CITY		STATE	ZIP CODE TELEPHONE
BUSINESS STREET ADDRESS		CITY		STATE	ZIP CODE TELEPHONE
POSITION HELD				PERCENTAGE OF STOCK HELD	
NAME		DATE OF BIRTH		SOCIAL SECURITY NUMBER	
RESIDENCE STREET ADDRESS		CITY		STATE	ZIP CODE TELEPHONE
BUSINESS STREET ADDRESS		CITY		STATE	ZIP CODE TELEPHONE
POSITION HELD				PERCENTAGE OF STOCK HELD	

CONTRACTOR DISCLOSURE

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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/JURSDICTION	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				

CONTRACTOR DISCLOSURE

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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 DISPLAINARY 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					

CONTRACTOR DISCLOSURE

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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)

CONTRACTOR DISCLOSURE

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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

CONTRACTOR DISCLOSURE

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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)