

REQUEST FOR COMPETITIVE SEALED BID
for
RANDOM NUMBER GENERATOR (RNG)
for
MISSISSIPPI LOTTERY CORPORATION (MLC)

I. Introduction

The Alyce G. Clarke Mississippi Lottery Law, Senate Bill 2001 (First Extraordinary Session (2018)) (the “Act”), formed the Mississippi Lottery Corporation (the “Corporation” or “MLC”) to administer the State of Mississippi’s first lottery (the “Mississippi Lottery”). The Corporation’s Board of Directors (the “Board”) governs the Corporation. The Board is comprised of five (5) members appointed by the Governor, with the advice and consent of the Senate, in addition to the Commissioner of the Department of Revenue and the State Treasurer as ex officio members. Composing the current Board are Dr. Michael J. McGrevey, Dr. Cass Pennington, Kimberly LaRosa, Gerard Gibert, Philip Chamblee, Department of Revenue Commissioner, Chris Graham and State Treasurer David McCrae. The Act mandates that the Board appoint a President of the Corporation, subject to the approval of the Governor. The Board appointed Thomas N. Shaheen as President of the Corporation (the “President”), who was subsequently approved by Governor Phil Bryant.

II. Purpose

The purpose of this Request for Competitive Sealed Bid (“Bid”) is to solicit proposals (“Proposal”) from professional random number generator (“RNG”) providers (“Provider”) for fee-based proposals to provide RNG hardware, software, supporting warranties and maintenance for MLC as identified in the “Services to be Performed” section of this request.

III. Contact Person

Providers may direct questions regarding this Bid to Angie DiGrazia (the “Contact Person”) at adigrazia@mslot.org.

IV. Proposal Submission

Written submission and all requested information for all Proposals must be received by the Contact Person no later than 4:00 p.m. (CST), on Tuesday, November 17, 2020. Complete proposals should be mailed or hand delivered to Mississippi Lottery Corporation, Attn: Angie DiGrazia, 1080 River Oaks Drive Bldg. B-100, Flowood, MS 39232. **LATE PROPOSALS WILL NOT BE ACCEPTED.**

All Proposals, the Proposal selection process, and any Provider whose Proposal is selected by MLC are subject to the requirements of applicable Mississippi law, including the Act and all rules, regulations and policies of MLC.

V. Summary of Key Dates

MLC reserves the right to change any dates and schedule contained in this Bid, including those shown below. Any changes will be posted on the MLC Website at www.mslotteryhome.com.

October 6, 2020	Bid Issuance Date
October 20, 2020	Posting Close Date
November 17, 2020	Deadline for Submission of Proposals by 4:00 p.m. (CST)

VI. Proposal Validity

All Proposals shall include a statement that the Proposal shall be valid for one-hundred twenty (120) days after the contract award date. By submitting a Proposal, a Provider certifies that it is not currently debarred from submitting proposals for contracts issued by any political subdivision or agency of the State of Mississippi or federal government, and that it is not an agent of a person or entity that is currently debarred from submitting proposals for contracts issued by any political subdivision or agency of the State of Mississippi or federal government.

VII. Incurred Expenses

MLC shall not be responsible for any expenses incurred by a Provider in responding to this Bid.

VIII. Cancellation of Request for Qualifications or Rejection of Proposals

MLC may cancel this bid and may reject any or all Proposals in whole or in part.

IX. Evaluation of Proposals and Award Notice

Providers must demonstrate that they have the capacity and capability to provide the services as described herein. All Providers must meet the qualifications and submit the documentation indicated below with their Proposal. Failure to provide any of the required documentation may be cause for the Proposal to receive lower scores.

Proposals will be evaluated by a Committee of MLC Staff, with final selection approval to be made by the Board of Directors. The Provider performing services for MLC must be appropriately licensed in Mississippi.

X. Proposal Confidentiality

Until the award is made and notices given to all Providers, unless required by applicable law, MLC will not disclose the contents of any Proposal or discuss the contents of any Proposal with a Provider or potential Provider, so as to make the contents of any offer available to competing or potential Providers. After all Providers have been notified of the award of a contract, Proposals may be available for public review in accordance with the Mississippi Lottery Public Records Request Policy. The policy is available at mslotteryhome.com.

XI. Term

The contract with a successful Provider shall commence as of its effective date and shall continue, unless sooner terminated, until December 1, 2026, subject to the MLC's sole option to exercise three (3) one (1) year extensions of the term of the contract, which exercise by the MLC may occur annually, in multiples of two (2) or three (3) years, or not at all.

XII. Services to be Performed

MLC seeks bids from qualified vendors to provide all hardware, software, warranties and maintenance plans for RNG servers for providing random winning numbers for MLC hosted draw-style games.

- A. RNG Hardware for three (3) RNGs:
 - 1. Computers (if applicable to connect and show drawing results)
 - 2. Servers
 - 2.1. Preferably 1U units
 - 3. Monitors
 - 3.1. If applicable to monitor and display the draw results
 - 4. Three (3) Printers
 - 4.1. One for each server location; can be greyscale only printers
 - 5. Three (3) Uninterruptable Power Supplies ("UPS")

6. Please list any other hardware that you deem necessary and reasons why it is needed. The cost of all additional suggested hardware should be included in your cost Proposal.

B. RNG Software:

1. Operating systems with licenses
2. RNG Software which will provide random winning numbers for the below game types*
 - 2.1. Three (3) number daily numbers game
 - For example, three (3) numbers ranging from 0-9, duplicate numbers allowed
 - 2.2. Four (4) number daily numbers game
 - For example, four (4) numbers ranging from 0-9, duplicate numbers allowed
 - 2.3. Five (5) number lotto matrix draw style game
 - For example, a matrix of five (5) numbers drawn from a range of 1-50, no duplicate numbers allowed
 - 2.4. Two pool five (5) number lotto matrix game with four (4) numbers being drawn from pool one and one (1) number being drawn from pool two
 - For example, a matrix of four (4) numbers drawn from a range of 1-50 and second pool range of 1-30, no duplicate numbers allowed
3. Key logging software for each server
4. Security features to monitor and prevent modification or tampering with the RNG software
5. Same requirements as Multi-State Lottery Association (“MUSL”) requirements and rules for an RNG
6. The ability to support multiple drawings on the same day for the same game
 - For example, day and eve drawings for a three (3) number daily numbers game

7. The ability to support up to six (6) simultaneous games
 8. The ability to integrate with the Online Game Vendor's Central Gaming System to allow automated winning number entry
- C. Certification of the RNG software from a third party vendor
 - D. A schedule for the development, delivery and installation for the Customer Acceptance Testing ("CAT") server no later than March 19, 2021**
 - E. A schedule for the development, delivery, certification and installation for all Production servers at their respective sites no later than April 23, 2021**
 - F. Installation of all hardware and equipment at the respective locations***
 1. One (1) server used for Customer Acceptance Testing ("CAT") and one (1) server for Production use will be installed at the MLC office in Flowood, MS
 2. One (1) server used as a backup for the Production environment will be installed at the International Game Technology ("IGT") facility in Austin, TX
 - G. Training for MLC draw staff members in Flowood, MS***
 1. Including any operation manuals
 - H. Onsite emergency support for go-live***
 - I. Warranty and Maintenance plan
 1. Including but not limited to hardware support, software support and patch management for security updates for the duration of the contract and any potential extensions
 - J. Ongoing software support, including the ability to receive software and OS updates and upgrades
 - K. Programming support and process for resolving incidental conditions which may arise
 1. 24/7/365 support for incidents which may arise and require immediate action to resolve the issue
 - L. Matrix change support at no additional cost to MLC

- For example, changing a matrix range of 1-40 to 1-43

*Other game styles which may be added in the future will be negotiated between MLC and the Provider

** If you cannot meet the outlined dates, please provide alternative dates

***Note that all travel costs which may be required should be included in the submitted bids and will need to comply with the requirements of MLC's Employee Travel & Expense Policy (a copy of the policy is attached)

XIII. Proposal Format and Instructions to Provider

Proposals should be as thorough and detailed as possible so that MLC may properly evaluate each Provider's capabilities to provide the required services. Failure to submit the following documents may cause your Proposal to score low.

Proposals submitted to MLC must, at a minimum, contain the following information and shall be organized as follows:

- A. Letter of Transmittal
 - 1. Name, address, and telephone number of Provider;
 - 2. A signature of the Provider or any partner, officer or employee who certifies that he or she has the authority to bind the Provider;
 - 3. Date of the Proposal;
 - 4. A statement that the Provider, if awarded the contract, will comply with the terms and conditions set forth in this Bid; and
 - 5. A statement that the Provider's Proposal is valid until the contract award date.
- B. An Overview of the Provider
 - 1. An outline of professional experience;
 - 2. A copy of all professional licenses, including a commercial license issued by the Mississippi State Board of Contractors; and
 - 3. The amount of liability insurance and worker's compensation carried by the Provider.
- C. References

Please provide at least three (3) references from state lotteries, United States Online Gaming Vendors or United States Lottery Service Providers.

D. Costs

List the costs of services, including a discussion of billing arrangements, for supplemental services described in the “Services to be Performed” section of this request.

E. Optional Services

All additional option and service prices contained in the submitted Proposals will be assumed to be valid for the duration of the contract, unless otherwise specified in the Proposal.

XIV. REJECTION OF PROPOSALS

Issuance of this Bid does not constitute a commitment on the part of MLC to award or execute a contract. The Corporation retains the right, in its sole discretion, at any time to reject any or all Proposals, in whole or in part, and to cancel or cancel and reissue this Bid, before or after receipt and opening of Proposals in response thereto, or take any other actions, if it considers it to be in the best interests of the Corporation or this Bid. Any Proposal that does not meet the requirements or specifications of this Bid may be considered to be non-responsive to this Bid, and the Proposal may be rejected by MLC in its sole discretion. MLC shall have the right, in its sole discretion, to reissue or not reissue a Bid and to negotiate a contract or not negotiate a contract, all without any liability to any Provider.

XV. PROHIBITION AGAINST UNAUTHORIZED CONTACTS

MLC is committed to a competitive procurement process that maintains the highest level of integrity, ethics and professionalism. Therefore, except as expressly contemplated in this Bid, or in connection with normal business activities not associated with this Bid, no direct or indirect contact or other solicitation initiated by Providers, or any employees or representatives thereof, including but not limited to their attorneys, representatives or others promoting their position, will be allowed with any MLC officer, employee, consultant or adviser, individually or otherwise, from and after the release of this Bid until MLC selects a successful Provider (“Quiet Period”). During the Quiet Period, all contact and other solicitations made by a Provider, or any person or entity employed by or on behalf of such a Provider, shall be directed towards the Contact Person identified in this Bid or otherwise as directed by the Corporation as part of the Bid. Any violation of this prohibition may result in the immediate disqualification of an Provider.

POLICIES AND PROCEDURES MANUAL

CHAPTER 6 - HUMAN RESOURCES POLICY

6.17 EMPLOYEE TRAVEL & EXPENSE POLICY

PURPOSE:

The purpose of this policy is to define responsibility for business expenses incurred by employees which are reimbursable based on business purpose and need.

It is the policy of the MLC to reimburse employees for reasonable and necessary expenses incurred during approved work-related travel (see attached pre-approval travel form). Directly related expenses should benefit the MLC.

POLICY:

Transportation expenses:

Actual cost of “coach”, “economy”, or equivalent non-refundable base fare that allows a seat to be assigned at the time the reservation is made for air travel will be reimbursed for MLC related business travel. Internet, advance purchase, and similar fares should be used where practical. In the case of an unanticipated change in flight travel once the travel has begun that results in an increased air fare or penalty fees, prior approval can be pre-approved by email or text message to **one** of the following members of management in the following order:

- Employees Immediate Supervisor
- Department Senior Vice President,
- Vice President of Human Resources
- President

The least expensive, practical ground transportation alternative should be used (e.g. taxi/uber, personal car, or rental car). Limousine/hired car travel may be appropriate in limited circumstances given safety, timeliness, and overall expense considerations.

Parking and toll expenses will be reimbursed when utilizing a rental or personal vehicle. Prior approval is required when the use of a personal vehicle exceeds the cost of air travel. Prior approval requests should include an estimated cost of airfare. In those events, the employee will be reimbursed at the lesser of the current IRS standard mileage rate and the documented advance purchased airfare.

Use of personal automobile will be reimbursed at current IRS standard mileage rate.

Meals:

MLC will reimburse meals up to \$75.00 per day, including tips. Itemized receipts, per meal, is required and tips should be based on location, service, and never exceed 20%.

Breakfast, lunch, and dinner not provided as a part of a meeting or as an amenity at the hotel is considered reimbursable during business travel.

Lodging:

When attending a work-related meeting or conference, lodging at or near the meeting location is required to accommodate start and finish times.

Standard room expense will be reimbursed. If a room block provided for the meeting has been exhausted, lodging with similar accommodations within a comparable price range will be reimbursed.

Internet expense will be reimbursed.

Business support services (copies, fax, etc.) for MLC related items will be reimbursed.

Incidentals such as fitness center, minibar, recreation and similar expenses will *not* be reimbursed.

Amended 08/18/20

Approvals:

Expenses should be turned in to your manager as soon as possible but no later than the 10 calendar days in which the expense was incurred. The approval process is as follows (Refer to Accounting/Internal Control Policy for more details):

1. Disbursements and purchases up to \$1,999 require the written approval of the functional area's Vice President and Director or Vice President of Finance.
2. Disbursements and purchases between \$ 2,000 and \$24,999 require the written approval of the Senior Vice President of the division and the Vice President of Finance; and
3. All disbursements and purchases \$25,000 or above require the written approval of the President or his or her designee, in addition to the approval levels required by the preceding subsection.

PROCEDURES

A travel expense report form must be completed, with receipts attached, for all business-related expenses. Expense reports should be submitted to the appropriate department manager for approval as quickly as practicable, but no later than the 10 calendar days after the expense was incurred. Receipts must be taped on 8 1/2 X 11 sheets of paper unless the receipt is 8 1/2 X 11

- Each expense must include the date and place on which the expense was incurred; description of the expense; and cost of each expense. Description of expenses should be thorough and include both the business purpose and business relationship explaining why the expense was incurred.
- Airline ticket purchases: A receipt confirming the purchase and cost of the flight must be submitted with the travel expense form.
- Lodging: A copy of the hotel bill showing itemized charges must be submitted with the travel expense form.
- Meals: The business purpose must include the reason for the expense and the nature of the business discussion or activity. (Business purposes such as: improve relationship with other organization or out of town meal is sufficient.) The business relationship must include the names of individuals attending the meal, their relation to the MLC, and their title or position.

- Reimbursement requests may be submitted electronically.

The MLC will provide reimbursement via check to the individual after the expense form is approved and processed.