

**Texas Lottery Commission
 Lottery Operations and Services RFP
 Evaluation Scoring Matrix Documentation**

Vendor Name: Intralot
Evaluator Name: Ron Pigott

Pre-Qualification		Date / Time
A.	Mandatory Pre-Proposal Conference and Non-Disclosure Statement	
A.1	The Proposer attended one of the mandatory pre-proposal conferences and submitted a signed non-disclosure statement.	
B.	Cost Proposal and Proposer's Commitment Submission	
B.1	The Proposer submitted the Cost Proposal and Proposer's Commitment in the manner as prescribed and by the deadline provided in Section 2 of the RFP.	
C.	Technical Proposal, Bid Bond/Proposal Surety and Protest/Litigation Bond Submission	
C.1	The Proposer submitted the Technical Proposal, Bid Bond/Proposal Surety and Protest/Litigation Bond in the manner as prescribed and by the deadline provided in Section 2 of the RFP.	

Round 1: Minimum Qualification Requirements		
A.	Financial Status of the Proposer	
A.1	The Proposer is financially viable and Office of the Controller has validated the financial status of the Proposer.	Pass/Fail
B.	Historically Underutilized Businesses (HUB)	
B.1	Whether the Proposer performed the good faith effort required by the HUB subcontracting plan. *HUB Subcontracting Plan *Mandatory HSP Workshop	Pass/Fail

The RFP references are intended as a guide for Proposers in preparing responses to this RFP, but do not limit the Texas Lottery's review of any Proposal in evaluating responsiveness to the RFP requirements and selecting a Proposer whose solution provides the best value to the agency.

Round 2: Technical Scoring			RFP Reference	Maximum Available Points	Awarded Points	Evaluator Notes
2.1	Past Performance. <i>The quality of the Proposer's past performance in contracting with the agency, with other state entities, or with private sector entities.</i>			550	520	
2.1.1	Contract performance issues, which include, but are not limited to: --contract terminations --sanctions / liquidated damages / goods or services in lieu of sanctions/LDs --significant or material audit findings or compliance issues --disciplinary action for substandard work or unethical practices --pending/past litigation --gaming license status	4.2.5(a), (b), (c), (d), (e), (f), (g)		440	440	<ul style="list-style-type: none"> The Proposer shall state in its Response whether or not any of the following have occurred during the last five (5) years: <ul style="list-style-type: none"> (a) The Proposer has had a contract terminated and, if so, shall provide full details, including the other party's name, address and telephone number. (b) The Proposer has been assessed any sanctions or liquidated damages under any existing or past contracts with any state, provincial or other lottery, and if so, note the jurisdiction, the reason for and the amount of the sanction or liquidated damages for each incident. (See Section 3.44 for continuing disclosure requirement.) (c) The Proposer has provided goods or services in consideration of contractual sanctions or liquidated damages that would have been assessed, and if so, note the jurisdiction, the reason for the penalty or liquidated damages and the goods or services provided in lieu of the assessment. (d) The Proposer has had any material or significant audit findings. (e) The Proposer was the subject of (i) any disciplinary action for substandard work and unethical practices or (ii) any order, judgment or decree of any federal or state authority barring, suspending or otherwise limiting the right of the Proposer to engage in any business, practice or activity. (f) The Proposer has been involved in any material civil or criminal litigation or indictment either threatened or pending as fully described in Section 3.43. (g) The Proposer has applied for, has sought renewal of, has received, has been denied, has pending, or has had revoked a gaming license of any kind, or had fines, penalties sanctions or liquidated damages assessed against its gaming license, contract or operation, and the disposition of such in each such state or jurisdiction. If any lottery or gaming license or contract has been revoked or terminated or has not been renewed or any lottery or gaming license or application has been either denied or is pending and has remained pending for more than six (6) months, all of the facts and circumstances underlying the revocation, termination, non-renewal or the failure to receive such a license shall be disclosed.
2.1.2	Reference checks and site visits (to include site visits to other lotteries if applicable)	4.4 and 2.22		110	80	<ul style="list-style-type: none"> 4.4 - Proposers must provide verifiable references which include contact person, name of company, phone, fax number and e-mail address if available for each engagement identified in Section 4.2.1. The Texas Lottery reserves the right to verify all information in the Proposal submitted by the Proposer and seek other information it deems necessary to conduct a thorough review. <p>Site visit was dominated by Lynn Becker and displayed a lack of depth in talent on the</p>

Total Points			

	<p>team. One reference check had negative comments about implementation.</p> <ul style="list-style-type: none"> 2.22 -The Texas Lottery, in its sole discretion, reserves the right to conduct site visits and/or to require Proposers to make oral presentations prior to the Contract Award. Site visits may include visits to a state lottery(ies) with whom a Proposer currently contracts. Proposers will be notified in writing and will be provided with equal advance notification of site visits and/or oral presentation assignments and guidelines.
520	

2.2	Personnel. The qualifications of the Proposer's personnel.	800
2.2.1	Executive Management – General Manager/Site Director, Assistant General Manager, and any other officers or key personnel who will provide direction or oversight to the Texas Lottery account.	4.3.2(a) 160
2.2.2	Data Center/Operations – Data Center Supervisor, Software Development Manager, Texas Lottery Liaison and any other staff who will have oversight or manage system operations for the Texas Lottery account.	4.3.2(b) 80
2.2.3	Call Center – Call Center Manager, Retailer Support Supervisor, Dispatch and Supply Inventory Supervisor or other key personnel who will provide direction or oversight to the Texas Lottery account.	4.3.2(c) 80
2.2.4	Sales and Marketing – Sales Manager, Marketing Manager, Promotions Manager/Coordinator, District/field Sales Managers, Corporate/Chain Account Manager, New Business Development/Recruitment Manager, Research Associate, and any other staff who will provide sales or marketing input, direction or recommendations for the Texas Lottery account.	4.3.2(d) 160
2.2.5	Warehouse and Distribution – Warehouse Manager.	4.3.2(e) 80
2.2.6	Transition Team – Project Manager and key personnel assigned to the transition and implementation of the Texas Lottery account.	4.3.2(f) 120
2.2.7	Organizational structure for Texas Lottery account, which includes position titles and number of positions and staffing schedule for unfilled positions and dates when key management will be available.	4.3.1; 4.3.5 and 4.3.6 120

710	
100	<ul style="list-style-type: none"> Proposers must provide resumes for all key management staff. <p>Very concerned about inclusion of General Counsel as chief compliance/ethics officer, given his SEC issues. General Manager is not an Intralot employee, but a contractor.</p>
80	Same as (a)
80	Same as (a)
130	<p>Same as (a)</p> <ul style="list-style-type: none"> Director of Marketing was removed from Org chart in clarification letter.
80	<p>Same as (a)</p> <ul style="list-style-type: none"> John Hadley is experienced and seemed to have a good grasp of TX needs.
120	Same as (a)
120	<ul style="list-style-type: none"> 4.3.1 - Proposers must provide an organizational chart which identifies all staff who will support the Texas Lottery account. The organizational chart should include the position titles, number of positions, and where applicable names of personnel (e.g., key management staff). The organizational chart should include corporate directors and/or officers who will provide direction or

Total Points			

	<p>oversight to the Texas Lottery account.</p> <ul style="list-style-type: none"> 4.3.5 - Proposers must provide a staffing schedule indicating the projected dates that each of the unfilled positions will be filled. 4.3.6 - Proposers must indicate when key management employees will be available to commence providing services under any contract awarded hereunder.
710	

2.3	Quality. <i>The probable quality of the offered goods or services.</i>		2,600
2.3.1	ACCOUNT MANAGEMENT AND ADMINISTRATION		130
2.3.1.1	Account management; Service level monitoring; Service management, which includes incident and problem management, capacity management and performance management; Compliance review.	6.2 through 6.5	46

2,086	
85	
35	<p>6.2 Account Management DRs: 11-17 DR 13-17 not addressed.</p> <ol style="list-style-type: none"> The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] The Proposer must provide a description of its proposed account management process. <p>6.3 Service Level Monitoring DR: 6</p> <ol style="list-style-type: none"> The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] The Proposer must provide a description of its proposed Service Level monitoring and reporting process. The Proposer must identify how SLRs as defined in Sections 3.60 and 3.61 of this RFP, will be measured and reported. The Proposer must provide an example of service level reports and its notification process that satisfies the requirements as defined in Sections 3.60 and 3.61 of this RFP. The Proposer must describe the automated reporting capabilities that it will make available to the Texas Lottery, including the Texas Lottery's ability to access data (real time) and generate reports. <p>SLAs are addressed as indeterminate and up for negotiation. They are not.</p> <p>6.4 Service Management</p> <p>6.4.1 Incident and Problem Management Response DRs: None</p> <ol style="list-style-type: none"> The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] The Proposer must provide a description of its proposed incident and problem management process to ensure adequate resources are available to meet the Texas Lottery's Service Level Requirements. <p>6.4.2 Capacity Management Response</p>

				<p>DRs: None</p> <ol style="list-style-type: none"> The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] The Proposer must provide a description of its proposed capacity planning process to ensure adequate resources are available to meet the Texas Lottery's Service Level requirements based on current and future growth expansion over the life of the Contract. <p>6.4.3 Performance Management</p> <p>DRs: None</p> <ol style="list-style-type: none"> The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] The Proposer must provide a description of its proposed performance management processes. The Proposer must describe how the Proposer plans, develops, modifies, monitors and reports on System and network performance. The Proposer must demonstrate knowledge and experience of capacity and performance tools for managing the Lottery Gaming System and all managed services defined within this RFP. <p>6.5 Compliance Review</p> <p>DRs: 9-10 DR 9 not met.</p> <ol style="list-style-type: none"> The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] The Proposer must describe how it will meet compliance review requirements. This must include a description of the policies and practices to prevent, detect, and resolve compliance issues. In addition, the Proposer must demonstrate experience, ability, and intent to meet all contractual compliance requirements. <p>Again, General Counsel's history presents serious concern for their Compliance process. Also, President of the company told us that he does not believe in Liquidated Damages, even though the RFP clearly requires them for performance issues. Also, do not state they will reimburse for the compliance review, as required by the RFP.</p>
2.3.1.2	Facilities support services, which includes all facilities and equipment to support the Texas Lottery account.	6.6	20	<p>10</p> <p>Facilities Support</p> <p>DRs: 4-24 DR 6 not met. DR 16 listing of holidays not provided. DR 24 not met (quarterly testing instead of monthly).</p> <ol style="list-style-type: none"> The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] The Proposer must describe all recommended facilities, to include at a minimum, the locations and types of facilities, functions to be supported, accommodations for Texas Lottery and Proposer staff and warehousing capacity. The Proposer must describe other services, procedures, materials, supplies, programs, policies, equipment and facilities it believes necessary for successful daily operations. The Successful Proposer shall be responsible for providing all necessary items for each proposed facility. The Proposer must indicate the proposed hours of operation for the central distribution warehouse.

2.3.1.3	Business continuity and disaster recovery capabilities which includes primary site system recovery.	6.7	32	20	<p>Business Continuity and Disaster Recovery</p> <p>DRs: 9-11 DR 10 not met.</p> <ol style="list-style-type: none"> The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] The Proposer must provide a description of its proposed Business Continuity and Disaster Recovery capabilities. This must include a description of how primary site system recovery will meet Texas Lottery requirements set forth in this section. Do not mention TAC 202 The Proposer must describe its data backup and restore process. The Proposer must describe how tickets will be delivered should its primary delivery service become unavailable. <p>Say Continuity Plan delivered 90 days after production start up, which is significantly past the requirement to do so within 90 days of signing the contract.</p> <p>Testing of continuity plan is quarterly, instead of the required monthly.</p> <p>Part of disaster recovery is having tickets delivered by FST's but the FST's are a sub to Intralot. Could be a concern on this security issue.</p>
2.3.1.4	Training activities which includes training on Lottery Gaming System, various retailer training requirements and LSR training.	6.8	32	20	<p>Training Response</p> <p>DRs: 7-21 Did not respond to DR13, 17, 20, 21.</p> <ol style="list-style-type: none"> The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] The Proposer must provide a description of its proposed training activities for each requirement. <p>45-60 minutes of training on the new system and equipment may not be enough time.</p> <p>Page 4 - list of training LSR's provide is supposed to be the items LSR's are trained on.</p> <p>Does not cover promotional training.</p>
2.3.2	LOTTERY GAMING SYSTEM		780	579	
	On-Line Games		47	23	
2.3.2.1	On-Line game development which includes demonstrated experience and success in On-Line game development, research and implementation.	7.2.1	21	11	<p>On-Line Game Response</p> <p>DRs: 20-24 DRs 22-24 not met.</p> <ol style="list-style-type: none"> The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] The Proposer must provide an overview of its On-Line game development, research and implementation process. The Proposer must provide evidence to demonstrate its experience and success in developing and implementing new On-Line Game concepts. Examples must include On-Line games currently in the market, sales expectations and actual performance, and implementation strategy. Proposal is

					not responsive to this requirement.
2.3.2.2	On-Line game controls which includes development and monitoring of On-Line game control features.	7.2.2	12	6	On-Line Game Control Response DRs: 3-5 Do not address the 365 Day Requirement from DR 3 and 4 1. The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] 2. The Proposer must describe its approach and experience with the development and monitoring of On-Line Game Control features.
2.3.2.3	Drawings which includes the Lottery Gaming System's capability to meet the Texas Lottery's drawing requirements.	7.2.3	14	6	Drawings Response DRs: 6-10 DRs 6, 8, 9, 10 not met 1. The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] 2. The Proposer must describe its proposed System's capability to meet the Texas Lottery's drawing requirements.
	Instant Ticket Game Management		47	40	
2.3.2.4	Lottery Gaming System's capability to support the volume, scope, development and management of the Texas Lottery's Instant Ticket operations, which includes the ability to inquire, track and monitor pack activity both globally and at the Retailer level, and monitor game inventory levels and order statuses.	7.3	47	40	Instant Ticket Game Management Response DRs: 3-11 DR 4, 7, 9, 11 not met. 1. The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] 2. The Proposer must provide a description of the proposed Lottery Gaming System's capability to support the volume, scope, development and management of the Texas Lottery's Instant Tickets operations as described in this section. Invited Option 3. As an Invited Option, the Proposer must describe if its Lottery Gaming System will support single Instant Ticket accounting. This includes the functionality to track all transactions (e.g., location, status, sales, validation, etc.) and activities at the ticket level. (check to see if included in base price) Page 46 - all orders are packed and shipped same day. This shaves a day off current process (in most situations).
	Claims and Validations		47	35	
2.3.2.6	Lottery Gaming System's validation capabilities, which include Integrated On-Line and Instant Ticket claims, validations and payments, and check writing software and hardware for use at Texas Lottery headquarters and each of the Texas Lottery Claim Centers.	7.4	37	30	Claims and Validation Response DRs: 5-7 and 9-35 DRs 6, 19, 20 not met. 1. The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] 2. The Proposer must describe how it will provide an integrated System for On-Line and Instant Ticket claims, validations and payments, which includes check writing software and hardware for use at

					<p>Texas Lottery headquarters and each of the Texas Lottery claim centers.</p> <p>3. The Proposer must describe the validation capabilities of its proposed System.</p>
2.3.2.7	Lottery Gaming System's functionality for a secured method (and equivalent backup method) of applying required signature(s) to the check stock during the check printing process.	7.4	10	5	<p>Claims and Validation Response DRs: 8</p> <p>4. The Proposer must describe its proposed System's secured method (and equivalent backup method) of applying required signature(s) to the check stock during the check printing process.</p> <p>Requirements met.</p>
	Retailer Management		47	34	
2.3.2.8	Integrated Lottery Gaming System to support the Texas Lottery's retailer management functions, which includes retailer maintenance and license application processing, inventory management, accounting and access control.	7.5	33	25	<p>Retailer Management DRs: 8-29 DRs 8, 11, 12, 13, 14, 20, 22, 23, 24, 25, 26, 27, 28 not met.</p> <p>1. The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.]</p> <p>2. The Proposer must describe how it will provide an integrated System to support the Texas Lottery's Retailer management functions. At a minimum, the System must include licensee management functions such as Retailer maintenance and license application processing, inventory management, accounting and access control.</p> <p>4. The Proposer must describe the System's capability to accept online submissions of original and renewal Retailer applications via an internet-based system and how payments for application fees would be processed.</p> <p>This system seems segmented and lacking important data. Messaging feature is robust.</p>
2.3.2.9	Lottery Gaming System's ability to provide online access to retailer management transactional data.	7.5	14	9	<p>Retailer Management DRs: 10</p> <p>3. The Proposer must describe the System's ability to provide online access to transactional data.</p> <p>Requirements met.</p>
	Lottery Gaming System General Requirements		94	59	
2.3.2.10	Lottery Gaming System's ability to meet the Texas Lottery's configuration, capacity and performance requirements; detect and report fraudulent transactions and activities; and meet data exchange requirements.	7.6.1 and 7.6.2	42	30	<p>7.6.1 System Configuration and Capacity Response <u>Battelle Benchmark Report</u> DRs: 5-20</p> <p>1. The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.]</p> <p>2. The Proposer must describe how its System will meet the configuration and capacity requirements.</p> <p>3. The Proposer must demonstrate how its proposed System can meet or exceed the Texas Lottery's performance requirements.</p> <p>4. The Proposer must describe its System's capability for detecting and reporting fraudulent transactions and activities.</p>

2.3.2.1 1	Lottery Gaming System's capability for configuring and executing player and retailer promotions.	7.6.3	19
2.3.2.1 2	Web-based systems to support "Second-Chance Drawings", player registration programs for informational, promotional and data gathering purposes, and mail order subscription services which includes transaction handling, prize payout and age verification features. including the processing of all subscription orders, age verification of players, and payment of prizes.	7.6.3	33
	System Management, System Security and ICS System and Vendor Requirements		78
2.3.2.1 3	Change and release management process, and test environment and access for conducting user acceptance testing.	7.7	8

	<p>7.6.2 Electronic Data Exchange Response DRs: 10-11</p> <ol style="list-style-type: none"> The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] The Proposer must describe how it will meet the data exchange requirements outlined in this section and the Data Exchange Report. <ul style="list-style-type: none"> Joan indicated there would be a problem with auditing if Intralot is totally responsible for the design, implementation, operation, and management of the network (page 17) - no checks and balances from a security standpoint. Gaming System map doesn't show firewall between system and TLC. DR 19 not fully addressed. DR 20 not met by Disaster Recovery Plan being exercised only once a quarter.
13	<p>Sales and Marketing System General Response DRs: 3-6</p> <ol style="list-style-type: none"> The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] The Proposer must describe its System's capabilities for providing player and retailer promotions. <ul style="list-style-type: none"> DR 6 not met because they do not include player address and winning prize.
28	<p>Sales and Marketing System General Response DRs: 7-8</p> <ol style="list-style-type: none"> The Proposer must describe its System's capability to support Web-based "Second-Chance Drawings" for On-Line Games. This system will not involve the sale of lottery products via the internet, but will only involve the submission of non-winning On-Line Game tickets for secondary drawings as approved by the Texas Lottery. The Proposer must describe its proposed Web-based system for a player registration program that involves registering players for various informational, promotional (e.g., unique player-printed coupons), and data-gathering purposes. The proposer must describe its mail order subscription database system for lottery players as authorized by Texas Government Code Section 466.3052, including the processing of all subscription orders, age verification of players, and payment of prizes. <p>Requirements met.</p>
54	
4	<p>System Management Response DRs: 21-23</p> <ol style="list-style-type: none"> The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] The Proposer must provide an overview of its software development life cycle including, but not limited to, change and release management processes, recommended frequency for changes,

				<p>review and approval process, documentation activities and associated assigned resources to support the software development life cycle process.</p> <p>3. The Proposer must describe the proposed test environment and access for conducting QA and UAT.</p> <p>Good discussion of change management but not much on release management.</p>
2.3.2.1 4	Lottery Gaming System's security plan, which includes physical and logical security components and an overview of the policies and practices to prevent, detect, and resolve security breaches.	7.8	35	<p>25</p> <p>System Security Response DRs: 8-10</p> <ol style="list-style-type: none"> 1. The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] 2. The Proposer must provide an overview of its System security plan 3. The Proposer must describe the physical and logical security components of the Lottery Gaming System. At a minimum, this must include an overview of the policies and practices to prevent, detect, and resolve security incidents. In addition, the Proposer must demonstrate experience, ability, and intent to meet security requirements. <p>DR 8 not met because does not comply with TAC 202 or submission in 90 days DR 9 not met because does not comply with TAC 202 or submission in 90 days DR 10 not addressed.</p> <p>iSecure system is very similar to current lottery system. So it is not a big leap forward.</p>
2.3.2.1 5	Processing transactions from the Lottery Gaming System to the internal control system, which includes handling out-of-balance incidents and accomplishing electronic funds transfers.	7.10	35	<p>25</p> <p>ICS System and Vendor Response DRs: 4-10</p> <ol style="list-style-type: none"> 1. The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] 2. The Proposer must describe the process for providing support to the third party ICS vendor and how transactions from the Lottery Gaming System will be processed. 3. The Proposer must describe how out-of-balance incidents are handled and electronic funds transfers are accomplished. <p>DR 8 not addressed DR 10 not met because they don't include the 4-hour requirement.</p>
	Reporting		47	40
2.3.2.1 6	Reporting functions which include the ability of the Lottery Gaming System to produce a variety of reports as well as the ability of Texas Lottery staff to create ad-hoc Systems reports using user-friendly graphical tools.	7.9	47	<p>40</p> <p>Reporting Response DRs: 6-12</p> <ol style="list-style-type: none"> 1. The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] 2. The Proposer must describe its proposed System's reporting functions. This must include the ability of the Lottery Gaming System to produce a variety of reports as well as permit Texas Lottery staff to create ad-hoc reports using user-friendly report development tools including graphical reporting capabilities. <p>DR 8 not met because does not include tracking the owners/users of the reports.</p>

	System Supported Terminal Functions		47
2.3.2.1 7	System supported terminal functions, which include the Lottery Gaming System's capability to inquire and log ticket prize inquiries from all sales terminals, including player activated, and communication of winning, non-winning and actual prize amount data.	7.11	47
	Sales Terminals and Related System Sales Equipment		94
2.3.2.1 8	Sales Terminals and related System equipment that offer the broadest diversity of options for deployment in support of current and future Texas Lottery retail venues.	7.12	61

40	
40	<p>System Supported Terminal Functions Response DRs: 2-32</p> <ol style="list-style-type: none"> 1. The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] 2. The Proposer must describe the terminal functions supported by the Lottery Gaming System that meet the requirements of this Section. 3. Each Proposer must provide information on the functionality or capability of all On-Line devices to interact with the back-office systems of Retailers. 4. The Proposer must describe its System's capability to inquire and log ticket prize inquiries and validations from all Terminals to the Lottery Gaming System. 5. The Proposer must describe its Terminals' capability (including Player Activated Terminals) to provide ticket prize inquiry communication of winning, non-winning and actual prize amount data. <p>Back Office System reports seem to be the ones for TLC, not the retailers. Does not identify how it interacts with terminals.</p>
79	
56	<p>Sales Terminals and Related System Sales Equipment Response DRs: 3-24</p> <ol style="list-style-type: none"> 1. The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] 2. The Proposer must describe the proposed Retailer Sales Terminals and related System equipment that meets the requirements defined in this section. Proposers must offer the broadest diversity of terminals and related System sales equipment options for deployment in support of current and future Texas Lottery retail venues. Proposers must fully describe all solutions and how the proposed equipment would support the Texas Lottery's current retail environment, as well as new retail venues. Proposers should indicate if the proposed Retailer Sales Terminals and related System equipment have been successfully deployed in other jurisdictions. <p>Specified and Invited Options –</p> <ol style="list-style-type: none"> 6. As a Specified Option, the Proposer must offer in-lane terminals solutions designed for use in multi-lane stores such as supermarkets. The Proposer shall thoroughly describe the design, installation, maintenance and functionality of the terminal solution. If the Texas Lottery exercises this option, the Proposer must install and maintain the terminals solutions. 7. As an Invited Option, the Proposer may offer specialty terminals and equipment, to include new and emerging technology, for future deployment. Proposers shall not include terminals or equipment for video lottery, casino gaming, internet-based lottery sales, or other activities not authorized by law. (check to see if included in base price) <p>Requirements met.</p>

2.3.2.1 9	Functionality or capability of all online devices to interact with the back office systems of Retailers.	7.12	19	14	Sales Terminals and Related System Sales Equipment Response DRs: None 3. The Proposer shall include information on the functionality or capability of all Terminal devices to interact with the back-office systems of Retailers. Requirements met.
2.3.2.2 0	Sample Retailer training manual and other options for training Retailers such as including training manual within the Retailer Terminal.	7.12	14	9	Sales Terminals and Related System Sales Equipment Response DR: 25 4. The Proposer must provide a sample of its Retailer Training Manual and explain other options for training Retailers such as including an online training manual within the Terminal. Requirements met.
Installation, Relocation and Removal and Maintenance and Repair			47	27	
2.3.2.2 1	Plan and procedures for handling equipment installation, relocation and/or removal requirements.	7.12.1	12	7	Installation, Relocation and Removal Response DRs: 12-14 1. The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] 2. The Proposer must describe how it will meet the equipment installation, relocation and/or removal requirements. Requirements met.
2.3.2.2 2	Plan and procedures for the maintenance and repair of all terminals and related Sales Equipment, which includes a preventative maintenance schedule and procedures for resolution of chronic problems.	7.12.2	12	7	Maintenance and Repair Response DRs: 6-9 1. The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] 2. The Proposer must describe in detail the proposed plan and procedures for the maintenance and repair of all Terminals and related sales equipment. The plan must include a preventative maintenance schedule. 4. The Proposer must describe in detail its proposed plan and procedures to address resolution of chronic equipment problems. Requirements met.
2.3.2.2 3	Staffing levels to cover repair functions and the planned location of staff.	7.12.2	12	7	Maintenance and Repair Response DRs: None 3. Proposer must indicate its proposed staffing levels to cover repair functions and the planned location of staff. Requirements met.
2.3.2.2 4	Lottery Gaming System capability to remotely monitor all deployed equipment for proper operational functionality and identification of equipment malfunctions or failure.	7.12.2	11	6	Maintenance and Repair Response DRs: None 5. The Proposer must describe its capabilities to remotely monitor all deployed equipment at the system level for proper operational functionality and identification of equipment malfunctions or failure. Requirements met.
Call Center Support			60	45	

2.3.2.2 5	Call Center staffing and management to support the Texas Lottery's diverse Retailer base; ensure timely, professional, courteous and accurate response to all calls; achieve required performance levels; and plan for handling chronic problems.	7.13	60
Ticket Inventory Supply and Management			78
2.3.2.2 6	Innovative solutions to enhance inventory order and distribution beyond the noted requirements of the RFP.	7.13	12
2.3.2.2 7	Staffing and management of the ticket inventory and supply management functions to support the Texas Lottery's diverse Retailer base. Procedures to process special, out of cycle, express, expedited or emergency orders.	7.13	43
2.3.2.2 8	Ability to allow Retailers to order at anytime through an automated system, rather than ordering in response to a telemarketing call, which includes the ability to manage and place proper controls on this ordering process.	7.13	23
Communications Network			47
2.3.2.2 9	Communications network, which includes information and diagrams to support the performance capabilities of the Lottery Gaming System and the Texas Lottery.	7.14	47

45	<p>Call Center Response DRs: 10-19 DR 23 and 24 not met.</p> <ol style="list-style-type: none"> The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] The Proposer must describe its call center system including its capabilities. The Proposer must describe how the call center will be staffed and managed to ensure timely, professional, courteous and accurate response to all calls. The Proposer must describe how the staffing and management of the call center will support the Texas Lottery's diverse Retailer licensee base. Does not do this The Proposer must indicate how it will achieve the required performance levels for the call center. The Proposer must document how chronic problems will be handled. <ul style="list-style-type: none"> Clarification response makes them out of compliance to have call center staffed 7 am to 6 pm. (RR 3)
61	
6	<p>Call Center Response DRs: None</p> <ol style="list-style-type: none"> The Proposer must describe any innovative solutions it proposes to enhance inventory order and distribution beyond the noted requirements of this section. <ul style="list-style-type: none"> At site visit, they overrode the "predictive ordering" quantity each time, saying the LSR would know they retailer's needs better.
37	<p>Call Center Response DRs: 20 and 22-24</p> <ol style="list-style-type: none"> The Proposer must describe how the staffing and management of the ticket inventory and supply management functions will support the Texas Lottery's diverse Retailer licensee base. The Proposer must describe what procedures are included to process special, out of cycle, express, expedited, or emergency orders from Retailers. <ul style="list-style-type: none"> DR 24 not addressed.
18	<p>Call Center Response DRs: 21</p> <ol style="list-style-type: none"> The Proposer must describe its range of automated systems to allow Retailers to order at anytime, rather than only ordering in response to a telemarketing call. Additionally, the Proposer must describe its ability to manage and place proper controls on this ordering process. <p>Requirements met.</p>
42	
42	<p>Communications Network Response DRs: 15-25</p> <ol style="list-style-type: none"> The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.]

					2. The Proposer shall provide detailed information and communications network diagrams to address the performance capabilities of the communications network based on the Proposer's System requirements and the Texas Lottery's system requirements. Requirements met.
2.3.3	SALES AND MARKETING		910	778	
	<i>Sales Management and Business Development and Marketing</i>		182	151	
2.3.3.1	Route sales component to support Retailer locations.	8.2	18	13	Sales Management and Business Development Response DR: 13 1. The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] 4. The Proposer must describe how it would provide a route sales model to support Retailer locations. Requirements met.
2.3.3.2	Sales management staff responsible for identifying new selling and business development opportunities.	8.2	73	60	Sales Management and Business Development Response DRs: 4 2. The Proposer must identify the sales management staff whose full-time responsibilities are to help the Texas Lottery identify new selling and business development opportunities. Proposers must also identify any staff who may assist with these activities, but will not be assigned to the Texas Lottery account on a full-time basis (e.g., corporate sales staff). The descriptions do not match the organizational charts
2.3.3.3	Marketing staff responsible for identifying new product and marketing strategies.	8.3	55	50	Marketing Response DRs: None 1. The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] 2. The Proposer must identify the marketing staff whose full-time responsibilities are to help the Texas Lottery identify new product and marketing strategies. Proposers must also identify any staff who may assist with these activities, but will not be assigned to the Texas Lottery account on a full-time basis (e.g., corporate marketing staff). Requirements met.
2.3.3.4	Sales and marketing organization structure to support and optimize Lottery sales.	8.2 and 8.3	36	28	8.2 Table 79 DRs: 5-12 and 14 DR 14 not met. 3. The Proposer must describe its sales organization structure and how it will support and optimize Texas Lottery sales. Did not address optimizing sales. 5. The Proposer must describe how it would coordinate face-to-face meetings among the Texas Lottery, Successful Proposer and Retailers to facilitate communications. The Proposer must describe its plans for conducting meetings to reach Retailers across the State of Texas to include proposed frequency of meetings and the strategy for engaging the Texas Lottery's diverse Retailer licensee base. 8.3 Table 81 DRs: 10-14

	Lottery Sales Representatives		136
2.3.3.5	LSR organization structure and how it will support Lottery Retailers across the entire geographic and population diversity of the State of Texas, which includes the proposed staff to Retailer ratio for the provision of Lottery Sales Representative activities.	8.4	82
2.3.3.6	Incentive plan for LSRs.	8.4	27
2.3.3.7	Sales services customized to strategically optimize sales performance.	8.4	27
	Retailer Visit		91
2.3.3.8	Retailer visits and support.	8.4.1	27
2.3.3.9	Monitor and manage LSR performance to ensure that all LSR visit standards are being met.	8.4.1	27

	3. The Proposer must describe its marketing organization structure and how it will support and optimize Texas Lottery sales.
121	
77	<p>LSR Services Response DRs: 28 and 30</p> <ol style="list-style-type: none"> The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] The Proposer must describe its LSR organization structure and how it will support Lottery Retailers across the entire geographic and population diversity of the State of Texas. Proposers must identify the Proposer's staff to Retailer ratio for the provision of Lottery Sales Representative activities. <p>Requirements met.</p>
22	<p>LSR Services Response DRs: 29</p> <ol style="list-style-type: none"> The Proposer must provide an overview of its incentive plan for LSRs. <p>Requirements met.</p>
22	<p>LSR Services Response DRs: 27 and 31</p> <ol style="list-style-type: none"> The Proposer must describe how sales services will be customized to strategically optimize sales performance. <p>Requirements met.</p>
76	
22	<p>Retailer Visit Response DRs: 11 -12, 14-17 and 19-21</p> <ol style="list-style-type: none"> The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] The Proposer must describe its overall approach to Retailer visits and support. The Proposer must describe its plan for enhanced visits to Retailers that exceeds the minimum required visits for general support and sales activity and that emphasizes sales optimization among the Retailer base. The Proposer must provide an overview of the methodology and strategy that will be used to enhance sales. <p>Requirements met.</p>
22	<p>Retailer Visit Response DRs: 18 and 22</p> <ol style="list-style-type: none"> The Proposer must describe how it will monitor and manage LSR performance to ensure that all LSR visit standards are being met. <p>Requirements met.</p>

2.3.3.1 0	Enhanced schedule for Retailer visits that exceeds the minimum required visits for general support and sales activity that emphasizes sales optimization. Overview of the methodology and strategy that will be used to enhance sales.	8.4.1	37	32	Retailer Visit Response DR: 13 2. The Proposer must describe its overall approach to Retailer visits and support. The Proposer must describe its plan for enhanced visits to Retailers that exceeds the minimum required visits for general support and sales activity and that emphasizes sales optimization among the Retailer base. The Proposer must provide an overview of the methodology and strategy that will be used to enhance sales. Requirements met.
	LSR Ticket Retrieval, Transfers and Returns		73	63	
2.3.3.1 1	Perform ticket retrieval, transfers and returns to optimize the inventory mix at retail locations in coordination with Retailers.	8.4.2	36	31	LSR Ticket Retrieval, Transfers and Returns Response DRs: 7-8 1. The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] 2. The Proposer shall describe how it will perform ticket retrieval, transfers and returns to optimize the inventory mix at retail locations in coordination with Retailer. Requirements met.
2.3.3.1 2	Retailer-to-Retailer pack transfers utilized to optimize inventory availability, which includes the methods for carrying out these transfers and the security and control measures that will be put in place and how system records will be maintained.	8.4.2	37	32	LSR Ticket Retrieval, Transfers and Returns Response DRs: 9 3. The Proposer must describe how Retailer-to-Retailer pack transfers will be utilized to optimize inventory availability. Proposers must describe the methods for carrying out these transfers and the security and control measures that will be put in place and how system records will be maintained. Requirements met.
	Instant Ticket Game Close		46	41	
2.3.3.1 2	Process for handling Instant Ticket game close.	8.4.3	46	41	Instant Ticket Game Close Response DRs: 4-5 1. The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] 2. The Proposer must describe its process for handling Instant Ticket Game close. Requirements met.
	Retailer Contests and Retailer-based Player Promotions		91	76	
2.3.3.1 3	Retailer contests and promotions to increase Instant and On-Line Ticket Sales.	8.5	46	37	Retailer Contests and Retailer-based Player Promotions Response DRs: 19-21 DR 20 not addressed. 1. The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] Did not do this. 2. The Proposer must describe how it will utilize Retailer and player contests and promotions to increase Instant and On-Line ticket sales.

2.3.3.1 4	Incentive programs for Retailers, which includes when such programs should be initiated and the benefits of such programs in maximizing revenue to the State from the sale of Texas Lottery Products.	8.5	45
Promotional Events and Retailer Promotions			91
2.3.3.1 5	Promotional equipment and capabilities to support the Promotions Plan, which also includes approach to promotions and how the plan is developed.	8.6	59
2.3.3.1 6	Promotions program team to run the statewide Promotions Plan, which includes how the team will be coordinated and trained to maximize the benefits of the program.	8.6	32
Marketing Materials and Related Equipment			91
2.3.3.1 7	Marketing materials and related equipment used to support sales and marketing activities for all Lottery Products.	8.7	59
2.3.3.1 8	Remote wired and wireless signage that is connected to the Retailer Terminals.	8.7	32
Research and Lottery Product Development			109

39	DRs: 17-18 Response does not address DR 18 requirement for May 31 date. 3. The Proposer must describe its incentive programs for Retailers, including when such programs should be initiated and the benefits of such programs in maximizing revenue to the State from sales of Texas Lottery Products.
80	
53	Promotional Events Response DRs: 25 and 28-36 DRs 29 and 36 not met. 1. The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] 2. The Proposer must provide a description of the promotional equipment and capabilities to support the promotions plan and describe the Proposer's approach to promotions and how the plan will be developed. 4. The Proposer may offer an alternative approach and equipment for conducting promotional events and Retailer promotions in support of Lottery Products. The Texas Lottery reserves the sole right to select the approach and equipment to be used for all promotional events.
27	Promotional Events Response DRs: 26-27 3. The Proposer must identify the entire promotions program team whose full-time responsibility will be to develop and run the statewide promotions plan. Proposers must provide detailed resumes job descriptions for all the promotions team members outlining their experience conducting promotional activities. The Proposer must describe its use of full-time dedicated team members working on the program and must also identify any other staff who will assist with the promotions plan, describing how the team will be coordinated and trained to maximize the benefits of the program. Requirements met.
81	
54	Marketing Materials and Related Equipment Response DRs: 4 5-8 1. The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] 2. The Proposer must provide an overview of the marketing materials and related equipment that will be used to support sales and marketing activities for all Lottery Products. Requirements met.
27	Marketing Materials and Related Equipment Response DR: 4 3. The Proposer must describe its capability to update signage within the Retailer environment via wired/wireless communication with the Retailer Sales Terminal/Lottery Gaming System. Requirements met.
89	

2.3.3.1 9	Research and development process for new games and new game introductions, which includes the research methods utilized to develop, gather, analyze and report data.	8.8	43	38	Research and Game Development Response DRs: 7-8, 10-12, 14 1. The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] 2. The Proposer must provide an overview of its research and development process for new games and new game introductions. This must include an overview of all the variety of research methods utilized to develop, gather, analyze and report data. Requirements met.
2.3.3.2 0	Methods utilized to obtain and use geographic and psychographic information for making business recommendation to the Texas Lottery.	8.8	22	17	Research and Game Development Response DRs: 9 3. The Proposer must describe the methods that will be utilized to obtain and use geographic and psychographic information for making business recommendations to the Texas Lottery. Requirements met.
2.3.3.2 1	Research and development staff to conduct research on new selling opportunities and new marketing strategies.	8.8	22	17	Research and Game Development Response DRs: None 4. The Proposer must identify the research and development staff whose full-time responsibilities are to conduct research on new selling opportunities and new marketing strategies. Proposers must also identify any staff who may assist with these activities, but will not be assigned to the Texas Lottery account on a full-time basis. Requirements met.
2.3.3.2 2	Research and/or data analyst staff to respond to special reporting requests, develop / respond to requests for specialized sales analysis, etc.	8.8	22	17	Research and Game Development Response DRs: 13 5. The Proposer must identify the research and/or data analyst staff whose full-time responsibilities are to respond to special reporting requests, develop / respond to requests for specialized sales analysis, etc. Proposers must also identify any staff who may assist with these requirements, but will not be assigned to the Texas Lottery account on a full-time basis. Requirements met.
2.3.4	WAREHOUSE AND DISTRIBUTION SERVICES		520	436	
	<i>New Instant Ticket Delivery and Storage</i>		114	100	
2.3.4.1	Automation for managing, fulfilling, and storing instant ticket orders.	9.2	46	41	New Instant Ticket Delivery and Storage Response DRs: None 1. The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] 2. The Proposer must describe the level of automation to be used in managing, fulfilling, and storing Instant Ticket orders. Requirements met.
2.3.4.2	Staging and distribution plan for simultaneous Instant Ticket game sales launches.	9.2	34	29	New Instant Ticket Delivery and Storage Response DRs: 11-12 3. The Proposer must describe the proposed staging and distribution plan for simultaneous Instant Ticket game sales launches.

2.3.4.3	Warehousing and distribution methodology and staffing plan, which includes any automated functions.	9.2	34
Instant Ticket Delivery			104
2.3.4.4	Plan for processing and shipping all ticket orders, including on weekends, holidays, and other times based on ticket ordering activity, delivery to Retailers in geographically remote areas, and under special circumstances as required by the Texas Lottery.	9.3	36
2.3.4.5	Process (including security features) to be used to document the delivery of tickets and obtaining proof of signed delivery receipts from individual Retailers.	9.3	22
2.3.4.6	Procedures and materials used to package Instant Tickets for delivery to Retailers, which includes the process used to prevent Instant Ticket Manufacturer omitted packs or other defective packs from being shipped to Retailers.	9.3	10
2.3.4.7	Methods, procedures, hardware and software used to monitor inventory and ensure optimum inventory levels are maintained at each Retailer location.	9.3	36
Warehouse Instant Ticket Return Verification			52

	Requirements met.
30	New Instant Ticket Delivery and Storage Response DRs: 10-11 and 13-16 DR 10, 15, and 16 not met. 4. The Proposer must describe in detail its warehousing and distribution methodology and staffing plan, including any automated functions. Warehouse in Strongsville was impressive. Use automated sorting. John Hadley appears to be an expert in warehouse operations.
82	
31	Instant Ticket Delivery Response DRs: 6-8 1. The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] 2. The Proposer must describe its plan for processing and shipping ticket orders on weekends, holidays, and other times based on ticket ordering activity and under special circumstances as required by the Texas Lottery. 4. The Proposer must describe its proposed ticket order delivery plan for Retailers in geographically remote areas. Meets requirements.
17	Instant Ticket Delivery Response DRs: 10-11 3. The Proposer must describe the process (including security features) to be used to document the delivery of tickets and obtain proof of signed delivery receipts from individual Retailers. Requirements met.
4	Instant Ticket Delivery Response DRs: 9 and 12 DR 12 not met. 5. The Proposer must describe the procedures and materials that will be used to package Instant Tickets for delivery to Retailers. 6. The Proposer must describe the process that will be used to prevent Instant Ticket Manufacturer omitted packs or other defective packs from being shipped to Retailers.
30	Instant Ticket Delivery Response DRs: None 7. The Proposer must describe the methods, procedures, hardware and software to be used to monitor Instant Ticket inventory and ensure that optimum inventory levels are maintained at each Retailer location. Have a predictive ordering tool. But during demo, the expert overrode it each time, saying the LSR knew the retailer's business and would adjust the inventory amounts.
40	

2.3.4.8	Process and procedure (including security features) used to document and store partial packs of Instant Tickets returned from Retailers, which includes the tracking system that will be used to follow the packs returned to the warehouse.	9.3.1	26
2.3.4.9	Procedures for locating Instant Tickets that are in a "Hold," "Lost Warehouse," "Lost Retailer," or "In Transit" status longer than the permitted time limit.	9.3.1	26
Stolen and Damaged Instant Ticket Reporting			52
2.3.4.10	Damaged or stolen tickets processing.	9.3.2	52
Ticket and On-Line Ticket Stock Destruction			42
2.3.4.11	Security process and/or procedures for the destruction of tickets, On-Line Ticket stock and other materials.	9.4	42
Promotional Item and Point of Sale (POS) Verification and Receiving			52
2.3.4.13	Receipt of promotional items and POS, which includes how and where the items will be received, stored and distributed to meet Texas Lottery requirements.	9.5	26
2.3.4.14	Process for the verification, receiving and ongoing inventory of promotional items and POS materials.	9.5	26

20	Warehouse Instant Ticket Return Verification Response DRs: 7, 9 -11 and 16 DRs 9,10,11,16 not met. 1. The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] 2. The Proposer must describe the process and procedure (including security features) that will be used to document and store partial packs of Instant Tickets returned from Retailers and the tracking system that will be used to follow the packs returned to the warehouse.
20	Warehouse Instant Ticket Return Verification Response DRs: 8 and 12 -15 DRs 12-15 not met. 3. The Proposer must describe the procedures for locating Instant Tickets that are in a "Hold," "Lost Warehouse," "Lost Retailer," or "In Transit" status longer than the permitted time limit.
47	
47	Stolen and Damaged Instant Ticket Reporting Response DRs: 5-6 1. The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] 2. The Proposer must describe how damaged and stolen tickets will be processed. Requirements met.
37	
37	Instant Ticket and On-Line Ticket Stock Destruction Response DRs: 5-7 1. The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] 2. The Proposer must describe the process and/or procedures to ensure the destruction of Instant Tickets, On-Line Ticket stock and other materials will be performed only with permission of the Texas Lottery and under the direct supervision of Texas Lottery personnel. 3. The Proposer must describe its process for the destruction of Instant Tickets, On-Line Ticket stock and/or other materials. Requirements met.
42	
21	Promotional Item and POS Verification and Receiving Response DRs: 7 and 9 1. The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] 2. The Proposer must describe how and where promotional items and POS will be received, stored and distributed to meet Texas Lottery requirements. Requirements met.
21	Promotional Item and POS Verification and Receiving Response DRs: 8 3. The Proposer must describe the process for the verification, receiving, and ongoing inventory of

					promotional items. Requirements met.
	Promotional Merchandise Inventory		52	47	
2.3.4.1 5	Process for handling an ongoing inventory of Texas Lottery promotional merchandise.	9.6	52	47	Promotional Merchandise Inventory Response DRs: 3-5 1. The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] 2. The Proposer must describe the process for handling incoming and ongoing inventory of all Texas Lottery promotional merchandise. Requirements met.
	Warehouse and Distribution General Requirements		52	41	
2.3.4.1 6	Process utilized to accomplish ticket order processing and packing at the Central Distribution Warehouse.	9.7	26	20	Warehouse and Distribution General Response DRs: 6-10 DR 9 only partially met (no due date). DR 10 not met. 1. The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] 2. The Proposer must describe the processes that will be utilized to accomplish Instant Ticket order processing and packing at the central distribution warehouse.
2.3.4.1 7	Process utilized to prevent the theft of returned Instant Tickets and rolls of On-Line Ticket stock being returned to and stored at the Central Distribution Warehouse.	9.7	26	21	DRs: none 3. The Proposer must describe the process that will be utilized to prevent the theft of Instant Tickets and rolls of On-Line Ticket stock being returned to and stored at the central distribution warehouse. Requirements met.
2.3.5	CONVERSION		260	208	
	Integration and Testing		52	41	
2.3.5.4	Integration and testing process, which includes the test plan and acceptance criteria.	10.2	26	20	Integration and Testing Response DRs: 28-37 DR 36 not met. DR 37 is only partially met (does not discuss non-ICS interfaces). 1. The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] 2. The Proposer must provide an overview of its proposed integration and testing process. 3. The Proposer must provide its proposed acceptance testing process and provide its standard acceptance testing criteria. 4. The Proposer must provide its proposed integration and test Plan.
2.3.5.7	Lottery Gaming System backup, recovery, failover process and test Plan.	10.2	26	21	Integration and Testing Response DR: 38 5. The Proposer must describe its Lottery Gaming System backup, recovery, failover process and test plan. Requirements met.

	Implementation and Migration		52
2.3.5.8	Implementation and migration strategy and processes.	10.3	52
	Conversion Plan and General Requirements		104
2.3.5.9	High level conversion plan, which includes the project management process, the structure and content of process documentation, an information sharing and communication plan, expected participation from Texas Lottery and the level and duration of involvement from the current vendor.	10.1 and 10.4	62
2.3.5.11	Project Management methodology for the transition, which includes at a minimum: a) Project Management; b) Business Change Management; c) Issue Management; d) Risk Management and Mitigation; and e) Transition Reporting (Type and Frequency).	10.4	10

45	
45	<p>Implementation and Migration Response DRs: 12-14</p> <ol style="list-style-type: none"> The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] The Proposer must provide a description of its proposed implementation and migration strategy and processes. <p>Lynn Becker said at Q&A that Intralot will begin removal and replacement of player-activated stations after the go-live date. That will leave many retailers without any station for months. They have done numerous conversions, though. References on conversions are good.</p>
80	
57	<p>Conversion Plan Response 10.1 Table 123 DRs: 3 and 11-18</p> <ol style="list-style-type: none"> The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] The Proposer must provide an overview of its proposed Conversion Plan and process. The Proposer must provide its proposed Conversion Plan project management process. The Proposer must identify, including names and resumes, the conversion staff whose full-time responsibilities are to convert the Texas Lottery to the Proposer's System. Proposers must also identify any staff who may assist with these activities, but will not be assigned to the Texas Lottery account on a full-time basis (e.g., corporate technical staff). <p>10.4 Table 130 DRs: 2-11</p> <ol style="list-style-type: none"> The Proposer must provide a proposed high-level Conversion Plan that would be appropriate for the size and complexity of the Texas Lottery's needs as described in this RFP. The Conversion Plan must include an information sharing and communication plan and expected participation from the Texas Lottery and the level and duration of involvement from the current vendor. The Proposer must describe the structure and content of its process documentation and explain how the documentation will be customized to fit Texas Lottery needs. <p>Requirements met.</p>
3	<p>10.4 Table 130 DRs: 13</p> <ol style="list-style-type: none"> The Proposer must describe the project management methodology that will be employed during the transition, which will address the following at a minimum: <ol style="list-style-type: none"> Project Management; Business Change Management; Issue Management; Communication Strategy

2.3.5.1 2	Initial distribution plan for Instant Tickets, On-Line Ticket stock, Retailer Terminals and associated system sales equipment, Point-of-Sale materials, On-Line play slips, promotional merchandise, playstations, signage and other materials, as required. Quality control procedures included in the plan.	10.4	16
2.3.5.1 3	Validation of winning tickets sold prior to the conversion.	10.4	16
	Conversion Milestones		26
2.3.5.1 4	Conversion plan and time chart identifying the major milestones to be accomplished for the construction, equipment delivery, software programming, installation, testing, user training, data conversion, and documentation of the proposed System.	10.5	26
	Conversion Plan		26

	<ul style="list-style-type: none"> e) Knowledge Transfer; f) Relationship Management; g) Risk Management and Mitigation; and h) Transition Reporting (Type and Frequency). <p>It appears the only PMP is the proposed GM. That can lead to problems in meeting deadlines and milestones.</p>
9	<p>10.4 Table 130 DRs: 3</p> <p>5. The Proposer shall provide a detailed initial distribution plan for Instant Tickets, On-Line Ticket stock, Retailer Sales Terminals and associated System sales equipment, Point-of-Sale materials, On-Line play slips, promotional merchandise, playstations, signage and other materials, as required. Quality control procedures should be included in this plan.</p> <p>Terminals either need to sit beside current ones on counters or stay in storage room until go-live. This means retailer will need to hook it up on go-live day to be able to sell lottery tickets.</p>
11	<p>10.4 Table 130 DR: 12</p> <p>6. The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.]</p> <p>Detail Requirements #12 <i>The Successful Proposer must accommodate and provide validation of winning tickets that have been sold prior to the conversion, either by reading the bar code or by accepting manual entry of the "old" winning ticket's serial number into the new system. The goal, during conversion and after, is to minimize confusion and effort for the players and Retailers.</i></p> <p>Requirements met.</p>
21	
21	<p>Conversion Milestones Response DRs: None</p> <p>1. The Proposer must provide a Conversion Plan and time chart (Gantt, PERT, or similar format) identifying the major milestones to be accomplished for the construction, equipment delivery, software programming, installation, testing, user training, data conversion, and documentation of the proposed System. The Proposer must also provide the dates (expressed as the number of Days from Contract Award) for the described milestones in the Conversion Milestone table above (Table 131) as part of the Proposal. The detailed Conversion Plan must include acceptance testing and security plan milestones.</p> <p>Requirements met.</p>
21	

2.3.5.1 5	Processes and factors related to End of Contract Conversion, which includes knowledge transfer to the Texas Lottery or Replacement Provider, risk management and mitigation, exit reporting, handover procedures, license transfers, etc.	10.6	26
--------------	-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	------	----

21	<p>End of Contract Conversion Plan Response DRs: 12-13</p> <ol style="list-style-type: none"> 1. The Proposer must acknowledge and accept the roles and responsibilities and detail requirements indicated in this section. [NOTE: Applies to all sections where applicable.] 2. The Proposer shall describe the following processes and factors related to End of Contract Conversion with the Texas Lottery: <ol style="list-style-type: none"> a) People Processes: <ol style="list-style-type: none"> 1. Knowledge transfer to the Texas Lottery or replacement provider b) Management Processes: <ol style="list-style-type: none"> 1. Issue Management 2. Risk Management and Mitigation 3. Exit Reporting (Type and Frequency) c) Technology <ol style="list-style-type: none"> 1. Handover Procedures 2. Tools, Software, Network Connections and Data Transfer d) License Transfer (Indicate Where This Would Be Required) <p>Requirements met.</p>
-----------	------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

Total Points

2,086

2.4	Experience. The experience of the Proposer in providing the requested goods or services.	550	
2.4.1	Past 10 years of experience providing the services as specified in the RFP for engagements of comparable complexity and scale.	4.2.1 and 4.2.4	275

535	
260	<ul style="list-style-type: none"> • 4.2.1 - Years of Experience. The Proposer must indicate the number of years' experience the Proposer has in providing the services as specified in this RFP and shall include detailed descriptions documenting its experience for all engagements of comparable complexity and scale for the past ten (10) years. • 4.2.4 - The description of experience shall be detailed and cover all contracts the Proposer and any subcontractors have or have had that provided experience similar to this Contract which qualifies the Proposer to meet the requirements of this Contract, including but not limited to: <ol style="list-style-type: none"> (a) Size of contract. (b) Reason for contract termination/expiration, if contract is no longer in effect. (c) Types of services directly provided by the Proposer and whether the Proposer was the proposer or subcontractor. (d) Term and type of contract, including effective dates. (e) Any problems encountered. <p>Gaining contracts in the last 10 years but the states have much smaller operations than Texas.</p>

2.4.2	Previous lottery experience or other relevant experience providing similar services as specified in the RFP to governmental or private entities.	4.2.2 and 4.2.4	165	165	<ul style="list-style-type: none"> • 4.2.2 - Proposers must indicate any previous lottery experience or other relevant experience providing similar services, as noted in Section 1.1.4, to governmental or private entities, including name of the entity, type of work performed, and duration of project. • 4.2.4 - The description of experience shall be detailed and cover all contracts the Proposer and any subcontractors have or have had that provided experience similar to this Contract which qualifies the Proposer to meet the requirements of this Contract, including but not limited to: <ul style="list-style-type: none"> (a) Size of contract. (b) Reason for contract termination/expiration, if contract is no longer in effect. (c) Types of services directly provided by the Proposer and whether the Proposer was the proposer or subcontractor. (d) Term and type of contract, including effective dates. (e) Any problems encountered. <p>See above.</p>
2.4.3	Previous experience in transition activities between vendors when providing similar services, in scope and size, as specified in the RFP.	4.2.3 and 4.2.4	110	110	<ul style="list-style-type: none"> • 4.2.3 - Proposers must indicate any previous experience in transition activities between vendors when providing similar services, in scope and size, as noted in Section 1.1.4. Proposers must include the name of the entity, type of transition/conversion work performed, duration of the project and any service interruptions encountered. • 4.2.4 - The description of experience shall be detailed and cover all contracts the Proposer and any subcontractors have or have had that provided experience similar to this Contract which qualifies the Proposer to meet the requirements of this Contract, including but not limited to: <ul style="list-style-type: none"> (a) Size of contract. (b) Reason for contract termination/expiration, if contract is no longer in effect. (c) Types of services directly provided by the Proposer and whether the Proposer was the proposer or subcontractor. (d) Term and type of contract, including effective dates. (e) Any problems encountered. <p>A lot of experience with conversions.</p>
Total Points				535	

TECHNICAL SCORING SUMMARY

Past Performance. <i>The quality of the Proposer's past performance in contracting with the agency, with other state entities, or with private sector entities.</i>	550	520
Personnel. <i>The qualifications of the Proposer's personnel.</i>	800	710
Quality. <i>The probable quality of the offered goods or services.</i>	2,600	2,086
Experience. <i>The experience of the Proposer in providing the requested goods or services.</i>	550	535
Total Possible Points	4,500	3,851

COST SCORING SUMMARY

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

Total Possible Points 500

TOTAL POINTS AWARDED

Total Possible Points 5,000

INTRALOT TECHNICAL PROPOSAL

Battelle's Briefing on Proposal

- The Photon terminal has the digital camera technology.
- Put playslip in terminal, GG's experience is you have to wait a moment for it to register. Intralot says you can now put the playslips in as fast as you like.
- If you put 3 slips in at one time and then remove them one at a time, it will take photos each time one slip is removed. This will result in double (+) tickets.
- No moving parts, so maintenance should be less (only moving parts are on the printer).
- microLOT+ terminal has scanner like a fax machine.
- Catalina in-lane solution prints coupons in color. Could be used for lottery tickets.
- Only 2 companies are providing thermal paper to all three Proposers.
- KUBE II printer is also offered. It is faster, but 10" per second is not much different from 8" per second for a 3" ticket.
- Winstation can do age verification with DL
- Wireless bar code reader is included in base price
- 9 dedicated programmers are categorized. Therefore, only 1 will support Lottery Operations group, which is less than current contract.

Part 1 – General Information

None

Part 2 – Proposal Process

None

Part 3 – Contractual Terms and Conditions

None

Part 4 – Required Information

- Several typos and errors that should have been caught in proof reading.
- No sales force experience in included resumes.
- General Counsel is barred from practicing before the SEC.
- Staffing proposals have a range of number of employees. Only safe way to evaluate is take the low number.
- Mirroring the sales force distribution of current situation – no thought in how it could be improved.

6.2 – Account Management

- The only PMP is the proposed GM, who does not work for Intralot

Detail Requirements 13-17 were not addressed.

6.3 – Service Level Monitoring and Reporting

INTRALOT TECHNICAL PROPOSAL

- Language makes SLA's sound indeterminate and up for negotiation.

All requirements met.

6.4 – Service Management

No detailed requirements

6.5 – Compliance Review

- Do not state that they will reimburse for the 3rd party compliance review.

Did not complete the required response (#9 about cost of audit).

6.6 – Facilities Support Services

Did not give list of holidays for operations, as required by detail requirement #16. Also missed #6 (pay acquisition costs). #24 not met (quarterly instead of monthly).

6.7 – Business Continuity & Disaster Plan

- Say Continuity Plan delivered 90 days after production start up, which is significantly past the requirement to do so within 90 days of signing the contract.
- Testing of continuity plan is quarterly, instead of the required monthly.
- Part of disaster recovery is having tickets delivered by FST's but the FST's are a sub to Intralot. Could be a concern on this security issue.

#1 and #10 not addressed.

6.8 – Training

- 45-60 minutes of training on the new system and equipment may not be enough time.
- Page 4 – list of training LSR's *provide* are supposed to be the items LSR's are trained *on*.
- Does not cover promotional training

#21 missing. #17 not addressed. #13a and d not in the section. #20 concerning LSR training received not provided.

7.2 – On-Line Games

- Detail requirements #3 and #4 require multiple draws and advance play capabilities, 365 days a year. Do not state the 365 in this section.

6, 8, 9, and 10 not addressed.

7.3 – Instant Ticket Game Management

INTRALOT TECHNICAL PROPOSAL

- Page 46 – all orders are packed and shipped same day. This shaves a day off current process (in most situations).

#4 not there. #7 not there. #9 not there. #11 not there.

7.4 – Claims and Validation

#6 not addressed. #19 not clearly there. #20 not there.

7.5 – Retailer Management

- This system seems segmented and lacking important data.
- Messaging feature is robust.

#12 (36 months of records), #13 and #14.

7.6 – Lottery Gaming System General Requirements

- Problem with auditing if Intralot is totally responsible for the design, implementation, operation, and management of the network (page 17).
- The subscription service for players would have retailers doing work that is uncompensated, since it's not part of their work.
- Gaming System map doesn't show firewall between system and TLC.
- Joan's opinion is that they left enough details out that she cannot say it is a good system.
- Gary Gassin said it was standard offering.

#19 missing. #20 missing. Only partial #6 and #7.

7.7 –System Management

- Good discussion of change management but not much on release management.

All met.

7.8 – System Security

- iSecure system is very similar to current GTECH system. So it is not a big leap forward.

#8 is partial because does not address 90 days and TAC 2.02. #9 is partial but does not address TAC 2.02. #10 is not addressed.

7.9 – Reporting

#8 is partial because it doesn't talk about tracking owners and who accessed the reports.

7.10 – ICS System & Vendor Requirements

INTRALOT TECHNICAL PROPOSAL

#8 is not met and #10 does not confirm the 4 hour requirement.

7.11 – System Supported Terminal Functions

- Back Office System reports seem to be the ones for TLC, not the retailers. Does not identify how it interacts with terminals.

#6 not met (produces tickets in training mode). #12 gift cards does not meet all requirements. #28 not met.

7.12 – Sales Terminals & Related System Sales Equipment

- Cannot tell if they are able to offer branding as required by the RFP (clarification point).
- Cannot tell if the stock paper is top and backcoated (appears just frontcoated). This is a clarification point.

Issues noted above for clarification.

7.13 – Call Center Support

- Cannot determine if TLC will be able to listen to live calls, as opposed to recorded calls. Clarification point.
- Instant Ticket customer service call center hours are identified differently in three different places. Clarification point.

#23 not met. #24 not met. #4 not met.

7.14 – Communications Network

- Page 12 says 4 satellites while 13 says 3. Clarification point.

All requirements met.

8.2 – Sales Management & Business Development

- The descriptions do not match the organizational charts

#14 not met.

8.3 – Marketing

- Description of Director of Marketing does not appear on Org chart

All requirements met.

8.4 – Lottery Sales Representatives

INTRALOT TECHNICAL PROPOSAL

All requirements met.

8.5 – Retailer Contests & Retailer-Based Player Promotions

- Missing the first requirement to accept the roles and responsibilities, so they have not done so.

No mention of submitting report by May 31st (#18). #20 is not met. And issue above.

8.6 – Promotional Events & Retailer Promotions

#29 was missing. #36 was missing.

8.7 – Marketing Materials & Related Equipment

All requirements met.

8.8 – Research & Lottery Product Development

All requirements met.

9.2 – New Instant Ticket Delivery and Storage

#10 not met. #15 was missing. #16 was missing.

9.3 – Instant Ticket Delivery

#11 not met. #12 was missing. #9 was missing. #10 was missing. #13-16 missing.

9.4 – Instant Ticket and On-Line Ticket Stock Destruction

#6 was missing

9.5 – Promotional Item and Point of Sale Verification and Receiving

All requirements met.

9.6 – Promotional Merchandise Inventory

All requirements met.

9.7 – Warehouse and Distribution General Requirements

#7 was missing. #9-10 missing.

10 – Conversion Plan

Information Redacted 552.101/ 466.022/ 552.139/ 552.110

INTRALOT TECHNICAL PROPOSAL

- Conversion will require two terminals in the stores before the switch.

Missing #36, #37.