ARTICLE 2. PROCUREMENT

Rule 1. Procurement Procedures; General

65 IAC 2-1-1 Procurement authority

Authority: IC 4-30-3-7; IC 4-30-3-9
Affected: IC 4-30-3-16; IC 4-30-8

Sec. 1. (a) The director shall have the full and complete authority to enter into all contracts on behalf of the commission for the procurement of goods and services.

(b) The director may appoint one (1) person employed by the commission to supervise and manage:

(1) the procurement of goods and services; and

(2) the enforcement and oversight of commission contracts and subcontracts.

This person shall have the authority set forth in this article or as may be delegated by the director in writing.

(c) The director may designate one (1) or more persons to act as purchasing agents for the commission who shall act with the authority that the director delegates in writing to each purchasing agent. *(State Lottery Commission; 65 IAC 2-1-1; emergency rule filed Jul 20, 1989, 4:10 p.m.: 12 IR 2292; emergency rule filed Sep 5, 1989, 3:20 p.m.: 13 IR 90; emergency rule filed Dec 9, 1996, 4:00 p.m.: 20 IR 962; readopted filed Nov 30, 2001, 11:02 a.m.: 25 IR 1268; readopted filed Nov 14, 2007, 3:02 p.m.: 20071212-IR-065070656RFA; emergency rule filed Jun 28, 2013, 1:13 p.m.: 20130710-IR-065130297ERA)*

65 IAC 2-1-2 Procurement policy

Authority: IC 4-30-3-7; IC 4-30-3-9
Affected: IC 4-30-3-16; IC 4-30-8

Sec. 2. (a) In making decisions under this article, the director shall take into account the requirements of IC 4-30, the desirability of an efficient and effective procurement process, and the legislative finding that the operation of a lottery is a unique activity for state government and that policies and procedures appropriate for the performance of other governmental functions are not necessarily appropriate for the operation of a lottery.

(b) All decisions made under this article are actions concerning the acquisition, leasing, or disposition of property or procurement of goods or services by the commission. All decisions by the director shall be final except as otherwise specifically set forth in this article. *(State Lottery Commission; 65 IAC 2-1-2; emergency rule filed Jul 20, 1989, 4:10 p.m.: 12 IR 2292; emergency rule filed Sep 5, 1989, 3:20 p.m.: 13 IR 90; readopted filed Nov 30, 2001, 11:02 a.m.: 25 IR 1268; readopted filed Nov 14, 2007, 3:02 p.m.: 20071212-IR-065070656RFA; emergency rule filed Jun 28, 2013, 1:13 p.m.: 20130710-IR-065130297ERA)*

65 IAC 2-1-3 Applicability

Authority: IC 4-30-3-7; IC 4-30-3-9
Affected: IC 4-30-3-16; IC 4-30-8

Sec. 3. (a) This article applies to every expenditure of commission funds under any contract for goods or services except for the following:

(1) Any contract with a state agency, state official, or any other body corporate and politic of this state.

(2) Employment contracts with individuals.

(3) Contracts for investment or related financial services.

(4) Contracts relating to the retail sales of lottery tickets.

(5) Contracts for goods or services provided as part of, or related to, a lease of real property.

(6) Amendments, modifications, or extensions of existing contracts, unless the predominate purpose of an amendment or modification is to avoid the applicability of this article.

(7) Contracts for personal or professional services.

(8) Contracts for employee benefits and related services.

(9) Contracts for market studies and research related services.

(10) Contracts for sponsorships, promotions, and advertising placement.

(11) The acquisition of electricity, gas, water, or other goods and services from utilities.

(12) Subcontracts entered into by commission contractors.

(b) In determining the applicability of this article to a specific contract, the substantial purpose of the contract shall be controlling. This article shall not apply if the acquisition of goods or services is not the substantial purpose of the contract. *(State Lottery Commission; 65 IAC 2-1-3; emergency rule filed Jul 20, 1989, 4:10 p.m.: 12 IR 2293; emergency rule filed Sep 5, 1989, 3:20 p.m.: 13 IR 91; emergency rule filed Dec 9, 1996, 4:00 p.m.: 20 IR 962; readopted filed Nov 30, 2001, 11:02 a.m.: 25 IR 1268; emergency rule filed Jul 26, 2007, 11:03 a.m.: 20070808-IR-065070473ERA; readopted filed Nov 14, 2007, 3:02 p.m.: 20071212-IR-065070656RFA; emergency rule filed Jun 28, 2013, 1:13 p.m.: 20130710-IR-065130297ERA)*

65 IAC 2-1-4 Procurement methods

Authority: IC 4-30-3-7; IC 4-30-3-9
Affected: IC 4-30-3-16; IC 4-30-8

Sec. 4. The director or the director's designee shall procure goods or services either through the Indiana department of administration procurement division, or the use of one (1) or any combination of the following procurement methods, which are further described in this article:

(1) Invitation to bid.

(2) Request for proposals.

(3) Special procurement.

(4) Small purchase.

(5) State procurement.

(6) Sole source procurement.

(7) Any other method or process which is approved by the director pursuant to 65 IAC 2-4-1.

(8) Any other method or process which is approved by the commission for a specific contract, or series of contracts, for goods or services.

(State Lottery Commission; 65 IAC 2-1-4; emergency rule filed Jul 20, 1989, 4:10 p.m.: 12 IR 2293; emergency rule filed Dec 9, 1996, 4:00 p.m.: 20 IR 962; readopted filed Nov 30, 2001, 11:02 a.m.: 25 IR 1268; readopted filed Nov 14, 2007, 3:02 p.m.: 20071212-IR-065070656RFA; emergency rule filed Feb 11, 2011, 2:41 p.m.: 20110216-IR-065110082ERA; emergency rule filed Jun 28, 2013, 1:13 p.m.: 20130710-IR-065130297ERA)

65 IAC 2-1-5 Invitation to bid

Authority: IC 4-30-3-7; IC 4-30-3-9
Affected: IC 4-30-3-16; IC 4-30-8

Sec. 5. (a) The procedure in this section shall be followed in awarding contracts by invitation to bid as follows:

(1) An invitation to bid shall include the terms determined by the director to be in the best interests of the commission and may include the following:

(A) A description of the goods and services to be purchased, including the time and place for delivery of the goods and services.

(B) The contractual terms and conditions, if any, applicable to the procurement.

(C) A statement of the evaluation criteria to be used to determine the winning bid.

(D) The date and time by which bids are to be submitted to the commission for consideration.

(2) Public notice shall be given in the manner required by section 12 of this rule.

(b) Bids shall be evaluated based on any criteria set forth in the invitation to bid and any amendments thereto.

(c) Correction or withdrawal of inadvertently erroneous bids before or after award, or cancellation of awards or contracts based on such mistakes, shall be permitted at the discretion of the director. After bid opening, changes in bids or other actions that the director deems contrary to the best interests of the commission shall not be permitted.

(d) If a bidder inserts contract terms or bids on items not specified in the invitation for bids, the director shall treat the additional material as a proposal for addition to the contract and may:

(1) find the bidder to be nonresponsive;

(2) permit the bidder to withdraw the proposed additions to the contract in order to meet the requirements and criteria set forth in the invitation for bids; or

(3) accept any of the proposed additions to the contract that are not contrary to the best interests of the commission.

(e) A contract shall be awarded by written notice to the lowest responsible and responsive bidder whose bid meets the requirements and criteria set forth in the invitation for bids as determined by the director or the director's designee.

(f) The director may utilize a multiple step bid process by requiring that bidders initially submit unpriced offers in response to an invitation to bid. Submission of priced bids may then be restricted to only those bidders whose offer qualified under the criteria set forth in the original invitation. *(State Lottery Commission; 65 IAC 2-1-5; emergency rule filed Jul 20, 1989, 4:10 p.m.: 12 IR 2293; emergency rule filed Nov 20, 1989, 10:05 a.m.: 13 IR 679; emergency rule filed Dec 9, 1996, 4:00 p.m.: 20 IR 962; readopted filed Nov 30, 2001, 11:02 a.m.: 25 IR 1268; readopted filed Nov 14, 2007, 3:02 p.m.: 20071212-IR-065070656RFA; emergency rule filed Feb 11, 2011, 2:41 p.m.: 20110216-IR-065110082ERA; emergency rule filed Jun 28, 2013, 1:13 p.m.: 20130710-IR-065130297ERA)*

65 IAC 2-1-6 Sealed bids (two-step) (Repealed)

Sec. 6. *(Repealed by State Lottery Commission; emergency rule filed Feb 11, 2011, 2:41 p.m.: 20110216-IR-065110082ERA)*

65 IAC 2-1-7 Request for proposals

Authority: IC 4-30-3-7; IC 4-30-3-9
Affected: IC 4-30-3-16; IC 4-30-8-2

Sec. 7. (a) The director may award a contract using the procedure in this section.

(b) Proposals shall be solicited through a request for proposals, shall include the terms determined by the director to be in the best interests of the commission, and may include the following:

(1) A description of the fundamental qualities of the goods and services being sought.

(2) A statement concerning the criteria that will be used to determine the winning proposal and relative importance of price and the other evaluation factors.

(3) The date and time by which proposals are to be submitted to the commission for consideration.

(c) Public notice shall be given in the manner required by section 12 of this rule.

(d) If provided in the request for proposals or determined by the director to be desirable, discussions may be conducted with responsible offerors, who submit proposals determined to be reasonably susceptible of being selected for award, for the purpose of clarification to assure full understanding of, and responsiveness to, the solicitation requirements or correcting errors or omissions in the proposal.

(e) Award shall be made to the responsible offeror whose proposal is determined in writing to be most advantageous to the commission, taking into consideration price and other evaluation factors set forth in the request for proposals.

(f) Only proposals determined by the director to be reasonably susceptible of being selected for award need be given any opportunity for discussion or revision of proposals to the extent such opportunity was specified in the process pertaining to request for proposals.

(g) The factors or criteria that may be used in the evaluation of proposals shall be determined by the director and be in the best interests of the commission, which shall include those specified in the request for proposals.

(h) The director may use a multiple step bid process by requiring that bidders initially submit unpriced offers in response to an invitation to proposals. Submission of priced bids may then be restricted to only those bidders whose offer qualified under the criteria set forth in the original proposals. *(State Lottery Commission; 65 IAC 2-1-7; emergency rule filed Jul 20, 1989, 4:10 p.m.: 12 IR 2294; emergency rule filed Dec 9, 1996, 4:00 p.m.: 20 IR 963; readopted filed Nov 30, 2001, 11:02 a.m.: 25 IR 1268; readopted filed Nov 14, 2007, 3:02 p.m.: 20071212-IR-065070656RFA; emergency rule filed Feb 11, 2011, 2:41 p.m.: 20110216-IR-065110082ERA; emergency rule filed Jun 28, 2013, 1:13 p.m.: 20130710-IR-065130297ERA)*

65 IAC 2-1-8 Special procurement

Authority: IC 4-30-3-7; IC 4-30-3-9
Affected: IC 4-30-3-16; IC 4-30-8

Sec. 8. (a) Notwithstanding any other provision of this article, the director may make, or authorize others to make, special procurements:

(1) when there exists a threat to public health, welfare, or safety, or the integrity or operation of the lottery;

(2) when there exists a unique opportunity to obtain supplies or services at a substantial savings, including an opportunity to obtain supplies or services at reduced cost or no cost;

(3) when the market structure requires the commission to inspect and bid on the supplies to be procured;

(4) for the procurement of data processing contracts or license agreements for:

(A) software programs;

(B) hardware; or

(C) software and hardware maintenance contracts;

(5) for any services, provided that an announcement of the contracting opportunity is made in a manner that the director determines will have the potential to receive expressions of interest from multiple vendors and is additionally posted on the commission's website;

(6) when the compatibility of equipment, accessories, or replacement parts is a substantial consideration in the procurement and only a limited number of sources meet the commission's requirements;

(7) when procurement of the required supplies or services under another section of this rule would impair the functioning of the lottery;

(8) when a contract has been solicited for a procurement under another section of this rule and the commission has not received a reasonable, responsive offer;

(9) when the time periods for performance as determined by the director would be impaired by competitive bidding, so long as at least two (2) price quotes are obtained.

(b) A special procurement must be made to further the best interests of the commission and to the extent practicable under the circumstances as determined by the director to foster competition.

(c) A written determination of the basis for the special procurement must be included in the contract file. *(State Lottery Commission; 65 IAC 2-1-8; emergency rule filed Jul 20, 1989, 4:10 p.m.: 12 IR 2295; emergency rule filed Sep 5, 1989, 3:20 p.m.: 13 IR 91; emergency rule filed Oct 24, 1989, 2:15 p.m.: 13 IR 408; emergency rule filed Nov 20, 1989, 10:05 a.m.: 13 IR 680; emergency rule filed Dec 9, 1996, 4:00 p.m.: 20 IR 964; readopted filed Nov 30, 2001, 11:02 a.m.: 25 IR 1268; emergency rule filed Jul 26, 2007, 11:03 a.m.: 20070808-IR-065070473ERA; readopted filed Nov 14, 2007, 3:02 p.m.: 20071212-IR-065070656RFA; emergency rule filed Jun 28, 2013, 1:13 p.m.: 20130710-IR-065130297ERA)*

65 IAC 2-1-9 Small purchases

Authority: IC 4-30-3-7; IC 4-30-3-9
Affected: IC 4-30-3-16; IC 4-30-8

Sec. 9. A contract in an amount that does not exceed three hundred thousand dollars ($300,000) may be made under any practice or procedure that the director desires subject to the following restrictions:

(1) When practicable, at least three (3) price quotes are obtained for any procurement valued in excess of fifty thousand dollars ($50,000).

(2) If a series of contracts awarded under this section for a single classification of goods or services are awarded to one (1) vendor and these contracts are all awarded within a period of six (6) months or less and the total contract price on these contracts exceeds four hundred thousand dollars ($400,000), then any of the contracts in this series which would cause the total contract price to be in excess of four hundred thousand dollars ($400,000), shall not be deemed to be a small purchase qualifying under this section.

(State Lottery Commission; 65 IAC 2-1-9; emergency rule filed Jul 20, 1989, 4:10 p.m.: 12 IR 2295; emergency rule filed Sep 5, 1989, 3:20 p.m.: 13 IR 92; readopted filed Nov 30, 2001, 11:02 a.m.: 25 IR 1268; emergency rule filed Jul 26, 2007, 11:03 a.m.:

20070808-IR-065070473ERA; readopted filed Nov 14, 2007, 3:02 p.m.: 20071212-IR-065070656RFA; emergency rule filed Feb 11, 2011, 2:41 p.m.: 20110216-IR-065110082ERA; emergency rule filed Aug 16, 2012, 10:38 a.m.: 20120822-IR-065120495ERA; emergency rule filed Jun 28, 2013, 1:13 p.m.: 20130710-IR-065130297ERA)

65 IAC 2-1-10 State procurement

Authority: IC 4-30-3-7; IC 4-30-3-9
Affected: IC 4-30-3-16; IC 4-30-8

Sec. 10. The director may procure supplies or services from a vendor based on prices set by a contract between the state of Indiana and that vendor. *(State Lottery Commission; 65 IAC 2-1-10; emergency rule filed Jul 20, 1989, 4:10 p.m.: 12 IR 2295; readopted filed Nov 30, 2001, 11:02 a.m.: 25 IR 1268; readopted filed Nov 14, 2007, 3:02 p.m.: 20071212-IR-065070656RFA; emergency rule filed Jun 28, 2013, 1:13 p.m.: 20130710-IR-065130297ERA)*

65 IAC 2-1-10.1 Sole source procurement

Authority: IC 4-30-3-7; IC 4-30-3-9
Affected: IC 4-30-3-16; IC 4-30-8

Sec. 10.1. A contract may be awarded for a supply or service without competition when the director, or the director's designee, states in writing the determination that there is only one (1) known or available source for the required supply or service and its procurement furthers the best interests of the commission. A copy of such determination shall be made a part of the contract file. *(State Lottery Commission; 65 IAC 2-1-10.1; emergency rule filed Dec 9, 1996, 4:00 p.m.: 20 IR 964; readopted filed Nov 30, 2001, 11:02 a.m.: 25 IR 1268; readopted filed Nov 14, 2007, 3:02 p.m.: 20071212-IR-065070656RFA; emergency rule filed Jun 28, 2013, 1:13 p.m.: 20130710-IR-065130297ERA)*

65 IAC 2-1-11 Cancellation; rejection; amendment of solicitations (Expired)

Sec. 11. *(Expired under IC 4-22-2.5, effective January 1, 2015. See Notice posted at 20150311-IR-065130493ONA.)*

65 IAC 2-1-11.1 Cancellation; rejection; amendment of solicitations

Authority: IC 4-30-3-7; IC 4-30-3-9; IC 4-30-8-9
Affected: IC 4-30-3-16; IC 4-30-8

Sec. 11.1. (a) When the director determines that it is not in the best interests of the commission, any solicitation, including an invitation for a bid or proposal, may be cancelled or rejected in whole or in part at any time prior to the effective date of the resulting contract.

(b) The reasons for a cancellation or rejection of a solicitation must be made a part of the contract file.

(c) The director may amend any solicitation in any manner provided that notice is given in a manner reasonably calculated by the director to provide fair and equitable notice to the potential vendors. *(State Lottery Commission; 65 IAC 2-1-11.1; emergency rule filed Apr 10, 2015, 1:00 p.m.: 20150415-IR-065150087ERA)*

65 IAC 2-1-12 Manner of giving notice

Authority: IC 4-30-3-7; IC 4-30-3-9
Affected: IC 4-30-3-16; IC 4-30-8

Sec. 12. (a) Whenever public notice is required by this rule, the notice shall be given in the manner prescribed by this section.

(b) If the ultimate expenditure involved in a procurement is estimated by the director, or the director's designee, to exceed three hundred thousand dollars ($300,000), a notice shall be published at least once.

(c) The director, or the director's designee, may provide for publication of additional notices, even if no publication is required by this subsection. Whenever publication of notice is required by this section, the notice shall be published at least in one

(1) newspaper of general circulation in Marion County, Indiana. If any of the services or supplies being procured are for a specific use located outside Marion County, Indiana, the notice may also be published in one (1) or more newspapers of general circulation in the area in which the services or supplies are to be used. The director, or the director's designee, may designate additional newspapers for the publication of notice according to the nature of the procurement.

(d) The director, or the director's designee, may send notices, invitations to bid, requests to bid, requests for offers, or requests for proposals to prospective bidders or offerors known to the director, or the director's designee, to be reasonably disposed to bid on a procurement. However, failure to give notice to a particular bidder or offeror does not invalidate a procurement under this rule.

(e) In lieu of publication of notice as otherwise provided in this rule, the director, or the director's designee, may post any notice on the website of the commission in the event the director determines such would not be contrary to the best interests of the commission. *(State Lottery Commission; 65 IAC 2-1-12; emergency rule filed Jul 20, 1989, 4:10 p.m.: 12 IR 2295; emergency rule filed Dec 9, 1996, 4:00 p.m.: 20 IR 965; readopted filed Nov 30, 2001, 11:02 a.m.: 25 IR 1268; emergency rule filed Jul 26, 2007, 11:03 a.m.: 20070808-IR-065070473ERA; readopted filed Nov 14, 2007, 3:02 p.m.: 20071212-IR-065070656RFA; emergency rule filed Feb 11, 2011, 2:41 p.m.: 20110216-IR-065110082ERA; emergency rule filed Jun 28, 2013, 1:13 p.m.: 20130710-IR-065130297ERA)*

65 IAC 2-1-13 Disclosure requirements for major procurements

Authority: IC 4-30-3-7; IC 4-30-3-9
Affected: IC 4-30-2-5

Sec. 13. (a) All offerors for a major procurement as defined in IC 4-30-2-5 shall submit the information required by IC 4-30 at the time required by the director. Immediately prior to execution of a contract by a vendor, the commission may require the vendor to update the disclosures. The vendor shall be under a continuous duty to correct any information that is later found to have been incorrect or incomplete when submitted. The vendor shall be under a duty to update and revise its disclosures in accordance with the provisions of the vendor's contract and as required by the director.

(b) The director may require additional disclosures for the purpose of enforcing, auditing, investigating, or confirming the accuracy of the disclosures or for another proper purpose. *(State Lottery Commission; 65 IAC 2-1-13; emergency rule filed Jul 20, 1989, 4:10 p.m.: 12 IR 2296; readopted filed Nov 30, 2001, 11:02 a.m.: 25 IR 1268; readopted filed Nov 14, 2007, 3:02 p.m.: 20071212-IR-065070656RFA; emergency rule filed Jun 28, 2013, 1:13 p.m.: 20130710-IR-065130297ERA)*

65 IAC 2-1-14 Contract types (Repealed)

Sec. 14. *(Repealed by State Lottery Commission; emergency rule filed Feb 11, 2011, 2:41 p.m.: 20110216-IR-065110082ERA)*

65 IAC 2-1-15 Contract terms

Authority: IC 4-30-3-7; IC 4-30-3-9
Affected: IC 4-30-3-16; IC 4-30-8

Sec. 15. No contract shall obligate the commission for a period in excess of four (4) years without the prior approval of the commission. A contract may contain one (1) or more option periods or provisions for extensions of the contract term, but only if an individual option period or extension:

(1) does not exceed two (2) years in duration; and

(2) becomes effective only upon the specific, affirmative exercise of the option, or the specific, affirmative agreement to the extension, by the director.

(State Lottery Commission; 65 IAC 2-1-15; emergency rule filed Jul 20, 1989, 4:10 p.m.: 12 IR 2296; emergency rule filed Sep 5, 1989, 3:20 p.m.: 13 IR 92; readopted filed Nov 30, 2001, 11:02 a.m.: 25 IR 1268; readopted filed Nov 14, 2007, 3:02 p.m.: 20071212-IR-065070656RFA; emergency rule filed Jun 28, 2013, 1:13 p.m.: 20130710-IR-065130297ERA)

65 IAC 2-1-16 Contract clauses

Authority: IC 4-30-3-7; IC 4-30-3-9
Affected: IC 4-30

Sec. 16. A contract with the commission may contain any terms and conditions and any contract clauses that are not prohibited by IC 4-30 or federal law. *(State Lottery Commission; 65 IAC 2-1-16; emergency rule filed Jul 20, 1989, 4:10 p.m.: 12 IR 2297; readopted filed Nov 30, 2001, 11:02 a.m.: 25 IR 1268; readopted filed Nov 14, 2007, 3:02 p.m.: 20071212-IR-065070656RFA; emergency rule filed Jun 28, 2013, 1:13 p.m.: 20130710-IR-065130297ERA)*

65 IAC 2-1-17 Public records (Repealed)

Sec. 17. *(Repealed by State Lottery Commission; emergency rule filed Feb 11, 2011, 2:41 p.m.: 20110216-IR-065110082ERA)*

65 IAC 2-1-18 Meaning of "vendor under contract with the commission" (Repealed)

Sec. 18. *(Repealed by State Lottery Commission; emergency rule filed May 4, 1990, 4:35 p.m.: 13 IR 1733)*

65 IAC 2-1-19 Meaning of "security services" (Repealed)

Sec. 19. *(Repealed by State Lottery Commission; emergency rule filed Feb 11, 2011, 2:41 p.m.: 20110216-IR-065110082ERA)*

65 IAC 2-1-20 Contracts to be in writing; provisions required by statute (Expired)

Sec. 20. *(Expired under IC 4-22-2.5, effective January 1, 2015. See Notice posted at 20150311-IR-065130493ONA.)*

65 IAC 2-1-20.1 Contracts to be in writing; provisions required by statute

Authority: IC 4-30-3-7; IC 4-30-3-9; IC 4-30-8-9
Affected: IC 4-30-3-16; IC 4-30-8

Sec. 20.1. (a) Except as provided in subsection (b), a contract to which the commission is a party must be in writing.

(b) A contract is not required to be in writing if the contract is created under 65 IAC 2-1-9. However, the commission is required to maintain on file invoices, bills, or other writings that show the contract was performed and the amount of payment due.

(c) If a statute or rule requires a provision to be part of a contract to which the commission is a party, the provision shall be construed to be part of the contract even though:

(1) the contract is not in writing; or

(2) the contract is in writing but the provision is omitted.

(State Lottery Commission; 65 IAC 2-1-20.1; emergency rule filed Apr 10, 2015, 1:00 p.m.: 20150415-IR-065150087ERA)

65 IAC 2-1-21 Penalty for late payments

Authority: IC 4-30-3-7; IC 4-30-3-9
Affected: IC 4-30-3-16; IC 4-30-8

Sec. 21. (a) Any contract to which the commission is a party shall not require a late payment penalty at a rate in excess of one percent (1%) per month whenever the commission fails to make timely payment.

(b) For the purposes of this section, payment is timely if a check or payment is mailed or delivered on the date specified for the amount specified in the applicable contract documents, or if no date is specified, within thirty-five (35) days receipt of a properly completed claim or invoice. *(State Lottery Commission; 65 IAC 2-1-21; emergency rule filed Feb 11, 2011, 2:41 p.m.:*

20110216-IR-065110082ERA)

Rule 2. Leases of Real Property

65 IAC 2-2-1 Authority to lease real property

Authority: IC 4-30-3-7; IC 4-30-3-9
Affected: IC 4-30

Sec. 1. (a) The director shall have the authority to lease real property that is necessary for the efficient operation of the lottery and for the conducting of the business of the commission and the director, including, but not limited to, office space, warehouse facilities, parking facilities, and fixtures and improvements related thereto and services related to the use and occupancy of the property.

(b) The term of the lease may not exceed four (4) years without the prior approval of the commission.

(c) The lease may contain option periods or extensions of the lease term if:

(1) no individual option period or extension period is more than two (2) years in duration; and

(2) the option period or extension period becomes effective only upon the specific, affirmative exercise of the option period, or the specific, affirmative agreement to the extension, by the director.

(State Lottery Commission; 65 IAC 2-2-1; emergency rule filed Jul 20, 1989, 4:10 p.m.: 12 IR 2297; emergency rule filed Sep 5, 1989, 3:20 p.m.: 13 IR 92; errata, 13 IR 402; readopted filed Nov 30, 2001, 11:02 a.m.: 25 IR 1268; readopted filed Nov 14, 2007, 3:02 p.m.: 20071212-IR-065070656RFA; emergency rule filed Jun 28, 2013, 1:13 p.m.: 20130710-IR-065130297ERA)

Rule 3. Contracts with State Agencies

65 IAC 2-3-1 Authority to contract with state agencies

Authority: IC 4-30-3-7; IC 4-30-3-9
Affected: IC 4-30

Sec. 1. The director may contract with any state agency or official for any purpose. If the director concludes that the state agency, whether for reasons of economy, convenience, or otherwise, should supply goods or services to the commission which the agency procures from a third party other than a state employee, then the commission's contract with the agency may include an obligation by the agency to use a competitive bidding process aimed at procuring the highest quality goods and services at the lowest reasonable price. *(State Lottery Commission; 65 IAC 2-3-1; emergency rule filed Jul 20, 1989, 4:10 p.m.: 12 IR 2297; readopted filed Nov 30, 2001, 11:02 a.m.: 25 IR 1268; readopted filed Nov 14, 2007, 3:02 p.m.: 20071212-IR-065070656RFA; emergency rule filed Jun 28, 2013, 1:13 p.m.: 20130710-IR-065130297ERA)*

Rule 4. Other Contracts

65 IAC 2-4-1 Consideration by director (Expired)

Sec. 1. *(Expired under IC 4-22-2.5, effective January 1, 2015. See Notice posted at 20150311-IR-065130493ONA.)*

65 IAC 2-4-1.1 Consideration by director

Authority: IC 4-30-3-7; IC 4-30-3-9; IC 4-30-8-9
Affected: IC 4-30-3-16; IC 4-30-8

Sec. 1.1. The director may procure all goods and services not otherwise covered by this article in any manner in which the director deems desirable. In making such procurements, the director shall consider the following:

(1) the efficient and effective operations of the lottery;

(2) the sensitive nature of the lottery; and

(3) the competence, quality of product, experience, and timely performance of the persons or entities providing such goods and services.

(State Lottery Commission; 65 IAC 2-4-1.1; emergency rule filed Apr 10, 2015, 1:00 p.m.: 20150415-IR-065150087ERA)

Rule 5. Procurement Claims and Appeals

65 IAC 2-5-1 Application (Repealed)

Sec. 1. *(Repealed by State Lottery Commission; emergency rule filed Feb 11, 2011, 2:41 p.m.: 20110216-IR-065110082ERA)*

65 IAC 2-5-2 Appeal of eligibility or disqualification (Repealed)

Sec. 2. *(Repealed by State Lottery Commission; emergency rule filed Feb 11, 2011, 2:41 p.m.: 20110216-IR-065110082ERA)*

65 IAC 2-5-3 Appeal of denial of permission to withdraw bid (Repealed)

Sec. 3. *(Repealed by State Lottery Commission; emergency rule filed Feb 11, 2011, 2:41 p.m.: 20110216-IR-065110082ERA)*

65 IAC 2-5-4 Appeal of decision that prospective vendor is not responsible (Repealed)

Sec. 4. *(Repealed by State Lottery Commission; emergency rule filed Feb 11, 2011, 2:41 p.m.: 20110216-IR-065110082ERA)*

65 IAC 2-5-5 Appeal of award or decision to award a contract (Repealed)

Sec. 5. *(Repealed by State Lottery Commission; emergency rule filed Feb 11, 2011, 2:41 p.m.: 20110216-IR-065110082ERA)*

65 IAC 2-5-6 Contract claims (Repealed)

Sec. 6. *(Repealed by State Lottery Commission; emergency rule filed Feb 11, 2011, 2:41 p.m.: 20110216-IR-065110082ERA)*

65 IAC 2-5-7 Notice of appeal (Repealed)

Sec. 7. *(Repealed by State Lottery Commission; emergency rule filed Feb 11, 2011, 2:41 p.m.: 20110216-IR-065110082ERA)*

65 IAC 2-5-8 Hearing procedures (Repealed)

Sec. 8. *(Repealed by State Lottery Commission; emergency rule filed Feb 11, 2011, 2:41 p.m.: 20110216-IR-065110082ERA)*

65 IAC 2-5-9 Hearing judge's decision (Repealed)

Sec. 9. *(Repealed by State Lottery Commission; emergency rule filed Feb 11, 2011, 2:41 p.m.: 20110216-IR-065110082ERA)*

65 IAC 2-5-10 Rehearing (Repealed)

Sec. 10. *(Repealed by State Lottery Commission; emergency rule filed Feb 11, 2011, 2:41 p.m.: 20110216-IR-065110082ERA)*

65 IAC 2-5-11 Legal action (Repealed)

Sec. 11. *(Repealed by State Lottery Commission; emergency rule filed Feb 11, 2011, 2:41 p.m.: 20110216-IR-065110082ERA)*

65 IAC 2-5-12 Computation of time; delivery (Repealed)

Sec. 12. *(Repealed by State Lottery Commission; emergency rule filed Feb 11, 2011, 2:41 p.m.: 20110216-IR-065110082ERA)*

65 IAC 2-5-13 Request for ruling (Repealed)

Sec. 13. *(Repealed by State Lottery Commission; emergency rule filed Dec 7, 1992, 5:00 p.m.: 16 IR 1196)*

65 IAC 2-5-13.1 Request for ruling (Repealed)

Sec. 13.1. *(Repealed by State Lottery Commission; emergency rule filed Feb 11, 2011, 2:41 p.m.: 20110216-IR-065110082ERA)*

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