



# **STATE OF INDIANA**

## **Request for Proposal 19-097**

### **INDIANA DEPARTMENT OF ADMINISTRATION**

**On Behalf Of  
The State Lottery Commission of Indiana (“Hoosier Lottery”)**

**Solicitation For:  
2019 Hoosier Lottery Security Audit**

**Response Due Date: June 7, 2019 at 3:00 PM EST**

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## **SECTION ONE**

### **GENERAL INFORMATION AND REQUESTED PRODUCTS/SERVICES**

#### **1.1 INTRODUCTION**

In accordance with Indiana statute, including IC 5-22-9, the Indiana Department of Administration (IDOA), acting on behalf of the State Lottery Commission of Indiana (“the Lottery”), requires a Security Audit to be completed including a findings report during calendar year 2019 for the Lottery. It is the intent of IDOA to solicit responses to this Request for Proposals (RFP) in accordance with the statement of work, proposal preparation section, and specifications contained in this document. This RFP is being posted to the IDOA website (<http://www.IN.gov/idoa/2354.htm>) for downloading. A nominal fee will be charged for providing hard copies. Neither this RFP nor any response (proposal) submitted hereto are to be construed as a legal offer.

#### **1.2 DEFINITIONS AND ABBREVIATIONS**

Following are explanations of terms and abbreviations appearing throughout this RFP. Other special terms may be used in the RFP, but they are more localized and defined where they appear, rather than in the following list.

Award Recommendation	IDOA’s summary to the agency being supported, typically in letter format, of the solicitation and suggestion on vendor selection for the purposes of beginning contract negotiations.
Contract Award	The acceptance of IDOA’s Award Recommendation by the agency being supported in conjunction with the public posting of the Award Recommendation.
Full Time Equivalent (FTE)	The State defines FTE as a measurement of an employee's productivity when executing the scope of work in this RFP for a specific project or contract. An FTE of 1 would mean that there is one worker fully engaged on a project. If there are two employees each spending 1/2 of their working time on a project that would also equal 1 FTE
IAC	Indiana Administrative Code
IC	Indiana Code
ICS	Internal Control System. This third-party system independently processes draw game transactions (wagers and prize validations) and is used for auditing and balancing to the online gaming system. Sales for each and every drawing are balanced between the IGT online gaming system and the ICS system prior to conducting the draw.

IGT	The Lottery has entered into an Integrated Services Agreement with IGT Indiana, LLC, (“IGT”) a subsidiary of IGT Corporation. IGT is co-located with the Lottery at its Indiana facilities and works closely with the Lottery, providing the Sales, Marketing, and ticket distribution functions of the business operations as well as the retailer terminal network and back-office system.
Implementation	The successful completion of the 2019 Hoosier Lottery Security Audit at Hoosier Lottery facilities as specified in the contract resulting from this RFP
Installation	The delivery and physical setup of products or services requested in this RFP
Other Governmental Body	An agency, a board, a branch, a bureau, a commission, a council, a department, an institution, an office, or another establishment of any of the following: 1) The judicial branch 2) The legislative branch 3) A political subdivision (includes towns, cities, local governments, etc.) 4) A state educational institution
Products	Tangible goods or manufactured items as specified in this RFP
Proposal	An offer as defined in IC 5-22-2-17
Respondent	An offeror as defined in IC 5-22-2-18. The State will not consider a proposal responsive if two or more offerors submit a joint or combined proposal. One entity or individual must be clearly identified as the respondent who will be ultimately responsible for performance of the contract
Services	Work to be performed as specified in this RFP
State	The State of Indiana
State Agency	As defined in IC 4-13-1, “state agency” means an authority, board, branch, commission, committee, department, division, or other instrumentality of the executive, including the administrative, department of state government

Total Bid Amount	The amount that the respondent proposes on Attachment D that represents their total, all-inclusive price (including travel expenses).
Vendor	Any successful respondent selected as a result of the procurement process to deliver the products or services requested by this RFP
VSC	Valuable Scope Contribution – A business function that supports the scope of this solicitation

### 1.3 PURPOSE OF THE RFP

The purpose of this RFP is to select a vendor that can satisfy the State’s need for the 2019 Hoosier Lottery Security Audit. It is the intent of the Lottery to contract with a vendor that provides quality security audit services, with specialization and expertise in the lottery industry, for the Hoosier Lottery.

### 1.4 SUMMARY SCOPE OF WORK

In accordance with Indiana statute, including IC 4-30-6-7, the State Lottery Commission (“the Lottery”) is required to have an independent Security Audit conducted every two (2) years. This is paramount in maintaining the integrity of the Lottery and in ensuring that the appropriate internal controls and security measures are in place. This was last completed in 2017, making it necessary to conduct an audit again in 2019.

The overall objective of this audit is to provide the Lottery with an assessment of the adequacy of security controls in place that support the security, integrity, confidentiality, and availability of Lottery products, operations, and gaming services. Suggestions for improving the controls shall be provided in the final audit report. It is expected that the Successful Bidder will spend some amount of time on-site reviewing controls, interviewing employees, and performing other actions such as possible penetration testing of the Lottery network. The audit should address both physical controls as well as information security controls.

The successful Vendor will submit a plan that is practical, business oriented, and informed by solid data. Expertise and references of experience in similar business types is favored.

#### A. **A comprehensive audit of the Lottery’s security controls includes the following areas:**

- Security Department Management, Duties, and Procedures;
- Physical Security;
- Information Systems Security (including ICS System, Firewalls, etc.);
- Security Surrounding Draw Game Drawings;
- Business Continuity Planning (as it relates to Hoosier Lottery, only – not specific to IGT Indiana, unless explicitly stated)
- A best-practices assessment of Lottery practices investigating potential fraud

**B. The identification of specific current and potential security risks, and related control improvements.**

**C. The development of plans for improving the Lottery's overall security.**

**D. The security audit must, to the extent possible, be performed on Lottery premises in the Indianapolis area. This would primarily involve Lottery Headquarters, but may likely also include locations such as the Fox59 television studio (northwest side of Indianapolis, site of drawings) as well as the Central Region and Distribution Center, which are located on the southwest side of Indianapolis. The Lottery reserves the right to deny removal of data and other information. The Lottery also has regional offices in Mishawaka and Evansville, although it is not a requirement that site visits be made to these locations.**

**E. The security audit must commence as soon as possible after the Contract has been fully executed, and conclude with the delivery of the final audit report to the Lottery no later than 4:00 P.M. EST, December 20, 2019.**

**F. Vendor's response shall include a plan for conducting the audit with specific attention to each of the areas listed in Section 1.4, Section A. Vendor's plan shall also include applicable audit plans, including control objectives and the audit procedures that will be used to conclude upon those objectives. The plan shall also include hours budgeted to complete the review of each area described in the Specifications.**

The successful Vendor shall be required to prepare and submit the following deliverables:

- A. A documented, detailed audit plan and project schedule must be included as part of the Proposal. For each audit area, this plan shall include the audit objectives, the audit procedures, staff members assigned, and hours proposed.
- B. A final report that is practical and informed by Lottery data and advised by best-practices, containing the following sections:
  - 1. An overall opinion of Lottery operations in terms of each aspect of security described herein;
  - 2. A full description of the operating environment, with a detailed description of existing security controls described within Specifications (this could be in the form of flowcharts, detailed narratives, and/or checklists);
  - 3. Sequentially numbered descriptions of all the risks identified and the recommended improvements. Recommended security controls must be realistically and cost effectively matched to business risks. To facilitate distribution of the report findings to appropriate staff, the findings must be grouped by each functional area. Each risk should also be identified by risk level (High, Medium, or Low).
- C. Three (3) copies of the final report as well as an electronic version shall be delivered.

- D. Written Weekly Progress Reports must be prepared and discussed with the Chief of Staff and her designees during the course of the audit. These shall include audit concerns identified and a schedule of actual hours expended versus budgeted hours for each audit area and for each Vendor employee assigned to the project.
- E. After completing the audit work and preparing the draft report, the Vendor will brief the Executive Director and/or her designated staff on the results of the work performed, including a discussion of each proposed, written recommendation.

### **Security Department Management, Duties and Procedures**

The successful Vendor shall make an assessment of Security Department management that shall include, but is not limited to, an inquiry into the controls and administrative practices that are both internal and external to the reporting structure of the Security Department. Areas reviewed as a part of the Security Department shall include, but are not limited to, the following:

1. Background investigation process for employees and vendors;
2. Internal security issues;
3. Physical access control systems management;
4. Security awareness, training, and in-depth education for all types of security, including information systems;
5. Security and security-related responsibilities assigned to the Security Department and to other Lottery departments;
6. Risk assessment methodology for all types of security risks;
7. Investigative practices and the documentation of investigative findings;
8. Emergency procedures; and
9. The overall integrity of the security department.

### **Physical Security**

The successful Vendor shall make an assessment of the physical security controls of the Lottery by examining the security systems currently in place to protect the various Lottery facilities. Access to all facilities, including Lottery Backup Computer Site, is controlled through a security system located at Lottery headquarters. The audit shall address the following aspects of access control, video surveillance, and environmental systems:

1. System design, installation, implementation and maintenance;
2. System management and reporting;
3. Access permissions implemented through electronic access control and key locks for facilities and sensitive areas within facilities;
4. Security system operator training and responsibilities;
5. Storage of sensitive materials; and
6. Environmental system implementation in information systems facilities.

### **Information Systems Security**

For the following areas, Vendor shall audit the adequacy of the design of security controls and test to determine, when feasible, that such controls are functioning.



1. The Internal Control System (ICS), provided by Elsym Consulting, is used before each midday and evening draw. ICS independently recalculates total sales and prizes from raw retailer transaction files that IGT provides to the Lottery. Lottery Draw Specialists then balance sales totals from ICS to those from IGT before draws occur and prize totals after draws occur.
2. The firewalls securing the Lottery's network and the Intrusion Detection / Intrusion Prevention solution, which consists of Cisco FirePOWER Appliances.
3. Security of data moving across external networks (for example, EFT), including the Internet. A Virtual Private Network (VPN) for remote access is also included;
4. Firewall configuration, implementation, control and maintenance;
5. Internet access policies and procedures, and controls to enforce policies and procedures;
6. E-mail (local and Internet) policies and procedures, and controls to enforce policies and procedures;
7. Segregation of the test and production environments for the:
  - Internal Control System
  - Dynamics GP Financial System
8. Security controls and access policies and procedures related to the Microsoft Dynamics GP environment;
9. Information Systems Security policies and procedures; and
10. The Lottery's two SFTP servers used for the purpose of the Multi-State Lottery Association's (MUSL) Lockdown Alternative Solution. These are new since the last Security Audit and were implemented in September of 2018.

## **Security Surrounding Draw Game Drawings**

Contractor shall review and assess the following operations controls:

1. Draw game drawing and game procedures, equipment integrity, certification and maintenance, including computerized drawing equipment and software;
2. Instant Ticket and draw winner validation and processing procedures employed at the Lottery Headquarters facility, regional offices, retailers, and via US mail;
3. Separation of responsibilities among Lottery personnel.

## **Business Continuity Planning**

Business Continuity is an important component of a sound organizational infrastructure. Many organizations see the need to extend disaster recovery procedures to each department. The Hoosier Lottery is no different. The Executive staff of the Hoosier Lottery has identified the need for such

procedures to be developed into a useful plan that changes and adapts along with the Lottery itself.

The Lottery requests audit services to review the Lottery's Business Continuity Plan and implementation thereof.

### **Best-practices assessment of Lottery practices investigating potential fraud**

The Lottery requests audit services to review the general measures in places to prevent and detect fraud related to all aspects of the operation of the business. This includes player and retailer theft or fraud. This should also address any vulnerability that could allow for the potential of fraud related to internal employees or employees of the business provider (IGT) or any other vendors. The Lottery has a unique statute that disallows the purchase of lottery tickets from the location where an individual is employed. This restriction is also extended to family members living in the same household as said employee. The audit review should also take this into consideration.

In aggregate, the State spends approximately \$50,000 to \$80,000 on one-time Security Audit Services when this is performed. This typically occurs every other year when an audit is performed. Since this number is based on past usage and may fluctuate up or down, the State is not in a position to guarantee that future spending will be at these levels. Nevertheless, this amount is provided as an aid to suppliers in responding to this RFP.

These figures are only an estimate and are not to be construed as an amount to be offered under this RFP. **However, when completing Minority and Women's Business Enterprises Participation Plan Form (Attachment A), the Indiana Economic Impact Form (Attachment C) and Indiana Veterans' Participation Plan Form (Attachment A1) please use the total bid amount from the Cost Proposal (Attachment D).**

## **1.5 RFP OUTLINE**

The outline of this RFP document is described below:

<b>Section</b>	<b>Description</b>
Section 1 – General Information and Requested Products or Services	This section provides an overview of the RFP, general timelines for the process, and a summary of the products/services being solicited by the State/Agency via this RFP
Section 2 – Proposal Preparation Instruction	This section provides instructions on the format and content of the RFP including a Letter of Transmittal, Business Proposal, Technical Proposal, and a Cost Proposal
Section 3 – Proposal Evaluation Criteria	This sections discusses the evaluation criteria to be used to evaluate respondents' proposals
Attachment A	M/WBE Participation Plan Form
Attachment B	Sample Contract

Attachment C	Indiana Economic Impact Form
Attachment D	Cost Proposal Template
Attachment E	Business Proposal Template
Attachment F	Technical Proposal Template
Attachment G	Q&A Template

## 1.6 PRE-PROPOSAL CONFERENCE

IDOA will not host a Pre-Proposal Conference for this procurement. Bidders are welcome to submit questions as described in the following section.

## 1.7 QUESTION/INQUIRY PROCESS

All questions/inquiries regarding this RFP must be submitted in writing by the deadline of **3:00 p.m. Eastern Time** on May 15, 2019. Questions/Inquiries may be submitted in Attachment G, Q&A Template, via email to [rfp@idoa.IN.gov](mailto:rfp@idoa.IN.gov) and must be received by the time and date indicated above.

Following the question/inquiry due date, Procurement Division personnel will compile a list of the questions/inquiries submitted by all Respondents. The responses will be posted to the IDOA website according to the RFP timetable established in Section 1.24. The question/inquiry and answer link will become active after responses to all questions have been compiled. Only answers posted on the IDOA website will be considered official and valid by the State. No Respondent shall rely upon, take any action, or make any decision based upon any verbal communication with any State employee.

Inquiries are not to be directed to any staff member of the Lottery, or any other participating agency. Such action may disqualify Respondents from further consideration for a contract resulting from this RFP.

If it becomes necessary to revise any part of this RFP, or if additional information is necessary for a clearer interpretation of provisions of this RFP prior to the due date for proposals, an addendum will be posted on the IDOA website. If such addenda issuance is necessary, the Procurement Division may extend the due date and time of proposals to accommodate such additional information requirements, if required.

## 1.8 DUE DATE FOR PROPOSALS

All proposals must be received at the address below by the Procurement Division no later than **3:00 p.m. Eastern Time** on June 7, 2019. Each Respondent must submit **one original CD-ROM or flash drive (marked "Original") and one (1) complete copy on CD-ROM or flash drive** of the proposal, including the Transmittal Letter and other related documentation as required in this RFP. The **original** CD-ROM or flash drive will be considered the official response in evaluating responses for scoring and protest resolution. **The respondent's proposal response on this CD-ROM or flash drive may be posted on the IDOA website, (<http://www.in.gov/idoa/2462.htm>)**

**if recommended for selection.** Each copy of the proposal must follow the format indicated in Section Two of this document. Unnecessarily elaborate brochures or other presentations, beyond those necessary to present a complete and effective proposal, are not desired. All proposals must be addressed to:

Traci Davidson  
Indiana Department of Administration  
Procurement Division  
402 West Washington Street, Room W468  
Indianapolis, IN 46204

**If you hand-deliver solicitation responses:**

To facilitate weapons restrictions at Indiana Government Center North and Indiana Government Center South, as of **July 21, 2008**, the public must enter IGC buildings through a designated public entrance. The public entrance to Indiana Government Center South is located at 10 N. Senate Avenue (East side of building). This entrance will be equipped with metal detectors and screening devices monitored by Indiana State Police Capitol Police.

Passing through the public entrance may take some time. Please be sure to take this information into consideration if your company plans to submit a solicitation response in person.

**If you ship or mail solicitation responses:** United States Postal Express and Certified Mail are both delivered to the Government Center Central Mailroom, and not directly to the Procurement Division. It is the responsibility of the Respondent to make sure that solicitation responses are received by the Procurement Division at the Department of Administration's reception desk on or before the designated time and date. Late submissions will not be accepted. The Department of Administration, Procurement Division clock is the official time for all solicitation submissions.

Regardless of delivery method, all proposal packages must be sealed and clearly marked with the RFP number, due date, and time due. IDOA will not accept any unsealed bids. Any proposal received by the Department of Administration, Procurement Division after the due date and time will not be considered. Any late proposals will be returned, unopened, to the Respondent upon request. All rejected proposals not claimed within 30 days of the proposal due date will be destroyed.

No more than one proposal per Respondent may be submitted.

The State accepts no obligations for costs incurred by Respondents in anticipation of being awarded a contract.

## 1.9 MODIFICATION OR WITHDRAWAL OF OFFERS

Modifications to responses to this RFP may only be made in the manner and format consistent with the submittal of the original response, acceptable to IDOA and clearly identified as a modification.

The Respondent's authorized representative may withdraw the proposal, in person, prior to the due date. Proper documentation and identification will be required before the Procurement Division will release the withdrawn proposal. The authorized representative will be required to sign a receipt for the withdrawn proposal.

Modification to, or withdrawal of, a proposal received by the Procurement Division after the exact hour and date specified for receipt of proposals will not be considered.

#### 1.10 PRICING

Pricing on this RFP must be firm and remain open for a period of not less than 180 days from the proposal due date. Any attempt to manipulate the format of the document, attach caveats to pricing, or submit pricing that deviates from the current format will put your proposal at risk.

Please refer to the Cost Proposal sub-section under Section 2 for a detailed discussion of the proposal pricing format and requirements.

#### 1.11 PROPOSAL CLARIFICATIONS AND DISCUSSIONS, AND CONTRACT DISCUSSIONS

The State reserves the right to request clarifications on proposals submitted to the State. The State also reserves the right to conduct proposal discussions, either oral or written, with Respondents. These discussions could include request for additional information, request for cost or technical proposal revision, etc. Additionally, in conducting discussions, the State may use information derived from proposals submitted by competing respondents only if the identity of the respondent providing the information is not disclosed to others. The State will provide equivalent information to all respondents which have been chosen for discussions. Discussions, along with negotiations with responsible respondents may be conducted for any appropriate purpose.

The Procurement Division will schedule all discussions. Any information gathered through oral discussions must be confirmed in writing.

A sample contract is provided in Attachment B. Any requested changes to the sample contract must be submitted with your response (See Section 2.3.5 for details). The State reserves the right to reject any of these requested changes. It is the State's expectation that any material elements of the contract will be substantially finalized prior to contract award.

#### 1.12 BEST AND FINAL OFFER

The State may request best and final offers from those Respondents determined by the State to be reasonably viable for contract award. However, the State reserves the right to award a contract on the basis of initial proposals received. Therefore, each proposal should contain the Respondent's best terms from a price and technical standpoint.

Following evaluation of the best and final offers, the State may select for final contract negotiations/execution the offers that are most advantageous to the State, considering cost and the evaluation criteria in this RFP.

#### 1.13 REFERENCE SITE VISITS

The State may request a site visit to a Respondent's working support center to aid in the evaluation of the Respondent's proposal. Site visits, if required will be discussed in the technical proposal.

#### 1.14 TYPE AND TERM OF CONTRACT

The State intends to sign a contract with one or more Respondent(s) to fulfill the requirements in this RFP.

This Contract shall become binding upon execution by both parties. Notwithstanding the date of execution, the term of this Contract shall commence on the date of execution and conclude upon the submission of a final audit report acceptable to the Lottery.

The security audit must commence as soon as possible after the Contract has been fully executed, and conclude with the delivery of the final audit report to the Lottery no later than **4:00 P.M. EST, December 20, 2019**.

#### 1.15 CONFIDENTIAL INFORMATION

Respondents are advised that materials contained in proposals are subject to the Access to Public Records Act (APRA), IC 5-14-3 *et seq.*, and, after the contract award, the entire RFP file will be posted on the IDOA website and may be viewed and copied by any member of the public, including news agencies and competitors. The responses are deemed to be “public records” unless a specific provision of IC 5-14-3 protests it from disclosure. Respondents claiming a statutory exception to the APRA **must indicate so in the Transmittal Letter** which specific provision applies to which specific part of the response. Confidential Information must also be clearly marked in a separate folder on any included CD-ROM. Please note citing “Confidential” on an entire section is not sufficient. The Public Access Counselor (PAC) provides guidance on APRA. Respondents are encouraged to read guidance from the PAC on this topic as this is the guidance IDOA follows:

- [18-INF-06; Redaction of Public Procurement Documents Informal Inquiry](#)

If the Respondent does not identify the statutory exception, the Procurement Division will not consider the submission confidential. The state also reserves the right to seek the opinion of the PAC for guidance if the state has doubts the cited exception is applicable.

#### 1.16 TAXES

Proposals should not include any tax from which the State is exempt.

#### 1.17 PROCUREMENT DIVISION REGISTRATION

In order to receive an award, you must be registered as a bidder with the Department of Administration, Procurement Division. Therefore, to ensure there is no delay in the award all Respondents are strongly encouraged to register prior to submission of their response. Respondents should go to [www.in.gov/idoa/2464.htm](http://www.in.gov/idoa/2464.htm).

#### 1.18 SECRETARY OF STATE REGISTRATION

If awarded the contract, the Respondent will be required to register, and be in good standing, with the Secretary of State. The registration requirement is applicable to all limited liability partnerships,

limited partnerships, corporations, S-corporations, nonprofit corporations and limited liability companies. Information concerning registration with the Secretary of State may be obtained by contacting:

Secretary of State of Indiana  
Corporation Division  
402 West Washington Street, E018  
Indianapolis, IN 46204  
(317) 232-6576  
[www.in.gov/sos](http://www.in.gov/sos)

#### 1.19 COMPLIANCE CERTIFICATION

Responses to this RFP serve as a representation that it has no current or outstanding criminal, civil, or enforcement actions initiated by the State, and it agrees that it will immediately notify the State of any such actions. The Respondent also certifies that neither it nor its principals are presently in arrears in payment of its taxes, permit fees or other statutory, regulatory or judicially required payments to the State. The Respondent agrees that the State may confirm, at any time, that no such liabilities exist, and, if such liabilities are discovered, that State may bar the Respondent from contracting with the State, cancel existing contracts, withhold payments to setoff such obligations, and withhold further payments or purchases until the entity is current in its payments on its liability to the State and has submitted proof of such payment to the State.

#### 1.20 EQUAL OPPORTUNITY COMMITMENT

It has been determined that there is a reasonable expectation of minority and women's business enterprise subcontracting opportunities on a contract awarded under this RFP. Pursuant to 4-30-1-2(5), The Hoosier Lottery has established annual goals for minority and women's business enterprises. Therefore a contract goal of 10% for Minority Business Enterprises and 10% for Woman Business Enterprises have been established and all respondents will be expected to provide information relevant to achievement of the goals set forth.

Failure to address these requirements may impact the evaluation of your proposal.

#### 1.21 MINORITY & WOMEN'S BUSINESS ENTERPRISES RFP SUBCONTRACTOR COMMITMENT (MWBE)

Based on the information provided in Section 1.20, the respondent is expected to submit with its proposal a Minority & Women's Business Enterprises RFP Subcontractor Commitment Form. The Form must show that there are, participating in the proposed contract, Minority Business Enterprises (MBE) and Women Business Enterprises (WBE) listed in the Minority and Women's Business Enterprises Division (MWBED) directory of certified firms located at <http://www.in.gov/idoa/2352.htm>.

If participation is met through use of vendors who supply products and/or services directly to the Respondent, the Respondent must provide a description of products and/or services provided that are directly related to this proposal and the cost of direct supplies for this proposal. Respondents must complete the Subcontractor Commitment Form in its entirety. The amount entered in

“**TOTAL BID AMOUNT**” should match the amount entered in the Attachment D, Cost Proposal Template.

Failure to meet these goals will affect the evaluation of your Proposal. The Department reserves the right to verify all information included on the MWBE Subcontractor Commitment Form.

**Prime Contractors must ensure that the proposed subcontractors meet the following criteria:**

- Must be listed on the IDOA Directory of Certified Firms, **on or before** the proposal due date
- Prime Contractor must include with their proposal the subcontractor’s M/WBE Certification Letter provided by IDOA, to show current status of certification.
- Each firm may only serve as one classification – MBE, WBE, or IVOSB (see section 1.22)
- A Prime Contractor who is an MBE or WBE must meet subcontractor goals by using other listed certified firms. Certified Prime Contractors cannot count their own workforce or companies to meet this requirement.
- **Must serve a Valuable Scope Contribution (VSC). The firm must serve a value-added purpose on the engagement, as confirmed by the State.**
- Must provide goods or service only in the industry area for which it is certified as listed in the directory at <http://www.in.gov/idoa/2352.htm>
- Must be used to provide the goods or services specific to the contract
- National Diversity Plans are generally not acceptable

#### **MINORITY & WOMEN’S BUSINESS ENTERPRISES RFP SUBCONTRACTOR LETTER OF COMMITMENT (MWBE)**

A signed letter(s), on company letterhead, from the MBE and/or WBE must accompany the MWBE Subcontractor Commitment Form. Each letter shall state and will serve as acknowledgement from the MBE and/or WBE of its subcontract amount, a description of products and/or services to be provided on this project, and approximate date the subcontractor will perform work on this contract. The MBE and/or WBE subcontractor amount and subcontractor percentage is only based on the initial term of the contract, unless the products and/or services are needed beyond the initial term. Any products and/or services desired after the initial term will require separate negotiations between the prime contractor and subcontractor. The State may deny evaluation points if the letter(s) is not attached, not on company letterhead, not signed and/or does not reference and match the subcontract amount, subcontract amount as a percentage of the “**TOTAL BID AMOUNT**” and the anticipated period that the Subcontractor will perform work for this solicitation.

#### **MINORITY & WOMEN’S BUSINESS COMPLIANCE (MWBE)**

If awarded the contract with MWBE subcontractor participation, the Respondent will be required to report payments made to MWBE Division subcontractors under the Contract on a monthly basis directly to the Hoosier Lottery.



1.22 INDIANA VETERAN OWNED SMALL BUSINESS SUBCONTRACTOR  
COMMITMENT (IVOSB)

NOT APPLICABLE

1.23 AMERICANS WITH DISABILITIES ACT

The Respondent specifically agrees to comply with the provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 *et seq.* and 47 U.S.C. 225).

1.24 SUMMARY OF MILESTONES

The following timeline is only an illustration of the RFP process. The dates associated with each step are not to be considered binding. Due to the unpredictable nature of the evaluation period, these dates are commonly subject to change. At the conclusion of the evaluation process, all Respondents will be informed of the evaluation team's findings.

***Key RFP Dates***

Activity	Date
Issue of RFP	May 1, 2019
Pre-Proposal Conference	N/A
Deadline to Submit Written Questions	May 15, 2019 at 3:00 PM EST
Response to Written Questions/RFP Amendments	May 22, 2019
Submission of Proposals	June 7, 2019 at 3:00 PM EST
<b><i>The dates for the following activities are target dates only. These activities may be completed earlier or later than the date shown.</i></b>	
Proposal Evaluation	June 7 – July 12, 2019
Proposal Discussions/Clarifications (if necessary)	June 7 – July 12, 2019
Oral Presentations (if necessary)	N/A
Best and Final Offers (if necessary)	TBD
RFP Award Recommendation	July 12, 2019

1.25 EVIDENCE OF FINANCIAL RESPONSIBILITY (25 IAC 1.1-1-5)

NOT APPLICABLE

1.26 CONFLICT OF INTEREST

Any person, firm or entity that assisted with and/or participated in the preparation of this RFP document is prohibited from submitting a proposal to this specific RFP. For the purposes of this RFP “person” means a state officer, employee, special state appointee, or any individual or entity working with or advising the State or involved in the preparation of this RFP proposal. This prohibition would also apply to an entity who hires, within a one-year period prior to the publication of this RFP, a person that assisted with and/or participated in the preparation of this RFP.

#### 1.27 PROHIBITION AGAINST PURCHASE OF LOTTERY TICKETS

An officer or employee of a Lottery Vendor that (1) is providing a major procurement of goods or services to the Lottery or (2) has executed a contract for a major procurement, or any relatives living in the same household with any officer or employee of such Vendor, are prohibited by statute from purchasing Indiana lottery tickets. Vendor will be required to complete any and all related forms necessary and inform its employees about the foregoing restrictions.

## SECTION TWO PROPOSAL PREPARATION INSTRUCTIONS

### 2.1 GENERAL

To facilitate the timely evaluation of proposals, a standard format for proposal submission has been developed and is described in this section. All Respondents are required to format their proposals in a manner consistent with the guidelines described below:

- Each item must be addressed in the Respondent's proposal.
- The Transmittal Letter must be in the form of a letter. The business and technical proposals must be organized under the specific section titles as listed below.
- The electronic copies of the proposal submitted via CD-ROM should be organized to mirror the sections below and the attachments.
- Each item, i.e. Transmittal Letter, Business Proposal, Technical Proposal, Cost Proposal, etc., must be separate standalone electronic files on the CD-ROM. Please do not submit your proposal as one large file.
- Whenever possible, please submit all attachments in their original format.
- Confidential Information must also be clearly marked in a separate folder/file on any included CD-ROM.

### 2.2 TRANSMITTAL LETTER

The Transmittal Letter must address the following topics except those specifically identified as "optional."

#### 2.2.1 Agreement with Requirement listed in Section 1

The Respondent must explicitly acknowledge understanding of the general information presented in Section 1 and agreement with any requirements/conditions listed in Section 1.

#### 2.2.2 Summary of Ability and Desire to Supply the Required Products or Services

The Transmittal Letter must briefly summarize the Respondent's ability to supply the requested products and/or services that meet the requirements defined in Section 2.4 of this RFP. The letter must also contain a statement indicating the Respondent's willingness to provide the requested products and/or services subject to the terms and conditions set forth in the RFP including, but not limited to, the State's mandatory contract clauses.

#### 2.2.3 Signature of Authorized Representative

A person authorized to commit the Respondent to its representations and who can certify that the information offered in the proposal meets all general conditions including the information requested in Section 2.3.4, must sign the Transmittal Letter. **In the Transmittal Letter, please indicate the principal contact for the proposal along with an address, telephone and fax number as well as an e-**

**mail address, if that contact is different than the individual authorized for signature.**

#### 2.2.4 Respondent Notification

Unless otherwise indicated in the Transmittal Letter, Respondents will be notified via e-mail.

It is the Respondent's obligation to notify the Procurement Division of any changes in any address that may have occurred since the origination of this solicitation. The Procurement Division will not be held responsible for incorrect vendor/contractor addresses.

#### 2.2.5 Confidential Information

Respondents are advised that materials contained in proposals are subject to the Access to Public Records Act (APRA), IC 5-14-3 et seq. (see section 1.15).

Provide the following information:

- List all documents, or sections of documents, for which statutory exemption to the APRA is being claimed;
- Specify which statutory exception of APRA applies for each document, or section of the document;
- Provide a description explaining the manner in which the statutory exception to the APRA applies for each document or section of the document.
- Provide a separate redacted (for public release) version of the document.

#### 2.2.6 Other Information

This item is optional. Any other information the Respondent may wish to briefly summarize will be acceptable.

### 2.3 BUSINESS PROPOSAL

The Business Proposal must address the following topics except those specifically identified as "optional."

#### 2.3.1 General (optional)

This section of the business proposal may be used to introduce or summarize any information the Respondent deems relevant or important to the State's successful acquisition of the products and/or services requested in this RFP.

#### 2.3.2 Respondent's Company Structure

The legal form of the Respondent's business organization, the state in which formed (accompanied by a certificate of authority), the types of business ventures in which

the organization is involved, and a chart of the organization are to be included in this section. If the organization includes more than one product division, the division responsible for the development and marketing of the requested products and/or services in the United States must be described in more detail than other components of the organization.

### 2.3.3 Company Financial Information

This section must include documents to demonstrate the Respondent's financial stability. Examples of acceptable documents include: most recent Dunn & Bradstreet Business Report (preferred) or audited financial statements for the two (2) most recently completed fiscal years. If neither of these can be provided, explain why and include an income statement and balance sheet, for each of the two most recently completed fiscal years.

If the documents being provided by the Respondent are those of a parent or holding company, additional information should be provided for the entity/organization directly responding to this RFP. That additional information should explain the business relationship between the entities and demonstrate the financial stability of the entity/organization which is directly responding to this RFP.

### 2.3.4 Integrity of Company Structure and Financial Reporting

This section must include a statement indicating that the CEO and/or CFO, of the responding entity/organization, has taken personal responsibility for the thoroughness and correctness of any/all financial information supplied with this proposal. The particular areas of interest to the State in considering corporate responsibility include the following items: separation of audit functions from corporate boards and board members, if any, the manner in which the organization assures board integrity, and the separation of audit functions and consulting services. The State will consider the information offered in this section to determine the responsibility of the Respondent under IC 5-22-16-1(d).

### 2.3.5 Contract Terms/Clauses

A sample contract that the state expects to execute with the successful Respondent(s) is provided in Attachment B. This contract contains both mandatory and non-mandatory clauses. Mandatory clauses are listed below and are non-negotiable. Other clauses are highly desirable. It is the State's expectation that the final contract will be substantially similar to the sample contract provided in Attachment B.

In your Transmittal Letter please indicate acceptance of these mandatory contract terms (see section 2.2.2). In this section please review the rest of the contract and indicate your acceptance of the non-mandatory contract clauses. If a non-mandatory clause is not acceptable as worded, suggest specific alternative wording to address issues raised by the specific clause. If you require additional contract terms please include them in this section. To reiterate it's the State's strong desire to not deviate

from the contract provided in the attachment and as such the State reserves the right to reject any and all of these requested changes.

The mandatory contract terms are as follows:

- Duties of Contractor, Rate of Pay, and Term of Contract
- Authority to Bind Contractor
- Compliance with Laws
- Drug-Free Workplace Provision and Certification
- Employment Eligibility
- Funding Cancellation
- Governing Laws
- Indemnification
- Information Technology
- Non-Discrimination Clause
- Ownership of Documents and Materials
- Payments
- Penalties/Interest/Attorney's Fees
- Termination for Convenience
- Non-Collusion and Acceptance

Any or all portions of this RFP and any or all portions of the Respondents response may be incorporated as part of the final contract

#### 2.3.6 References

The Respondent must include a list of at least three (3) clients for whom the Respondent has provided products and/or services that are the same or similar to those products and/or services requested in this RFP. The Lottery prefers references of other official government-sponsored lotteries in North America. Information provided should include the name, address, and telephone number of the client facility and the name, title, and phone/fax numbers of a person who may be contacted for further information.

#### 2.3.7 Registration to do Business

##### Secretary of State

If awarded the contract, the Respondent will be required to be registered, and be in good standing, with the Secretary of State. The registration requirement is applicable to all limited liability partnerships, limited partnerships, corporations, S-corporations, nonprofit corporations and limited liability companies. The Respondent must indicate the status of registration, if applicable, in this section of the proposal.

##### Department of Administration, Procurement Division

Additionally, respondents must be registered with the IDOA. This can be accomplished on-line at <http://www.in.gov/idoa/2464.htm>.

The IDOA Procurement Division maintains two databases of vendor information. The Bidder registration database is set up for vendors to register if you are interested in selling a product or service to the State of Indiana. Respondents may register on-line at no cost to become a Bidder with the State of Indiana. To complete the on-line Bidder registration, go to <http://www.in.gov/idoa/2464.htm>. The Bidder registration offers email notification of upcoming solicitation opportunities, corresponding to the Bidder's area(s) of interest, selected during the registration process. Respondents do need to be registered to bid on and receive email notifications. Completion of the Bidder registration will result in your name being added to the Bidder's Database, for email notification. The Bidder registration requires some general business information, an indication of the types of goods and services you can offer the State of Indiana, and locations(s) within the state that you can supply or service. There is no fee to be placed in Procurement Division's Bidder Database. To receive an award, you must be registered as a bidder. Problems or questions concerning the registration process or the registration form can be e-mailed to Amey Redding, Vendor Registration Coordinator, [aredding@idoa.in.gov](mailto:aredding@idoa.in.gov), or you may reach her by phone at (317) 234-3542.

#### 2.3.8 Authorizing Document

Respondent personnel signing the Transmittal Letter of the proposal must be legally authorized by the organization to commit the organization contractually. This section shall contain proof of such authority. A copy of corporate bylaws or a corporate resolution adopted by the board of directors indicating this authority will fulfill this requirement.

#### 2.3.9 Subcontractors

The Respondent is responsible for the performance of any obligations that may result from this RFP, and shall not be relieved by the non-performance of any subcontractor. Any Respondent's proposal must identify all subcontractors and describe the contractual relationship between the Respondent and each subcontractor. Either a copy of the executed subcontract or a letter of agreement over the official signature of the firms involved must accompany each proposal.

Any subcontracts entered into by the Respondent must be in compliance with all State statutes, and will be subject to the provisions thereof. For each portion of the proposed products or services to be provided by a subcontractor, the technical proposal must include the identification of the functions to be provided by the subcontractor and the subcontractor's related qualifications and experience.

The combined qualifications and experience of the Respondent and any or all subcontractors will be considered in the State's evaluation. The Respondent must furnish information to the State as to the amount of the subcontract, the qualifications of the subcontractor for guaranteeing performance, and any other data that may be required by the State. All subcontracts held by the Respondent must be

made available upon request for inspection and examination by appropriate State officials, and such relationships must meet with the approval of the State.

The Respondent must list any subcontractor's name, address and the state in which formed that are proposed to be used in providing the required products or services. The subcontractor's responsibilities under the proposal, anticipated dollar amount for subcontract, the subcontractor's form of organization, and an indication from the subcontractor of a willingness to carry out these responsibilities are to be included for each subcontractor. This assurance in no way relieves the Respondent of any responsibilities in responding to this RFP or in completing the commitments documented in the proposal. The Respondent must indicate which, if any, subcontractors qualify as a Minority or Women-Owned Business under IC 4-13-16.5-1 and IC 4-30-1-2 (5). . See Section 1.21 and Attachments A/A1 for Minority and Women-Owned Business information.

#### 2.3.10 Evidence of Financial Responsibility

NOT APPLICABLE

#### 2.3.11 General Information

Each Respondent must enter your company's general information including contact information.

#### 2.3.12 Experience Serving State Governments

Each Respondent is asked to please provide a brief description of your company's experience in serving state governments and/or quasi-governmental accounts.

#### 2.3.13 Experience Serving Similar Clients

Each Respondent is asked to please describe your company's experience in serving clients of a similar size to the State that also had a similar scope. Please provide specific clients and detailed examples.

#### 2.3.14 Indiana Preferences

Pursuant to IC 5-22-15-7, Respondent may claim only one (1) preference. For the purposes of this RFP, this limitation to claiming one (1) preference applies to Respondent's ability to claim eligibility for Buy Indiana points. **Respondent must clearly indicate which preference(s) they intend to claim. Additionally, the Respondent's Buy Indiana status must be finalized when the RFP response is submitted to the State.**

Buy Indiana

Refer to Section 2.7 for additional information.



#### 2.3.15 Payment

NOT APPLICABLE

### 2.4 TECHNICAL PROPOSAL

The Technical Proposal must be divided into the sections as described below. Every point made in each section must be addressed in the order given. The same outline numbers must be used in the response. RFP language should not be repeated within the response.

Where appropriate, supporting documentation may be referenced by a page and paragraph number. However, when this is done, the body of the technical proposal must contain a meaningful summary of the referenced material. The referenced document must be included as an appendix to the technical proposal with referenced sections clearly marked. If there are multiple references or multiple documents, these must be listed and organized for ease of use by the State.

**The Technical Proposal Template is Attachment F.**

### 2.5 COST PROPOSAL

**The Cost Proposal Template is Attachment D.**

Using Attachment D, Respondents must supply the total costs, both labor and non-labor, for their services that will be incurred by the state. The resulting figures will be used to assign each respondent's cost score. Please see RFP section 3.2.3 for more information on cost scoring.

Respondents must provide rates for all tasks/deliverables in order for their proposal to be considered responsive. Rates must be all inclusive. No additional fees will be considered.

The Cost Proposal must be submitted in the original format. Any attempt to manipulate the format of the Cost Proposal document, attach caveats to pricing, or submit pricing that deviates from the current format will put your proposal at risk.

#### **Cost Proposal Narrative**

The Respondent should provide a brief narrative (not longer than two pages) in support of each Cost Proposal item. The narrative should be focused on clarifying how the proposed prices correspond directly to the Respondent's Technical Proposal. For example, evaluators will expect detailed explanation of *Maintenance and Support* to correspond to *Maintenance and Support items* if described in the Technical Proposal. **Please compose and return this document in a Microsoft Word format.**

#### **Cost Assumptions, Conditions and Constraints**

The respondent should list and describe as part of its Cost Proposal any special cost assumptions, conditions, and/or constraints relative to, or which impact, the prices presented on the Cost Schedules. It is of particular importance to describe any assumptions made by the respondent in the development of the respondent's Technical Proposal that have a material impact on price. It is in the best interest of the respondent to make explicit the assumptions, conditions, and/or constraints

that underlie the values presented on the Cost Schedules. Assumptions, conditions or constraints that conflict with the RFP requirements are not acceptable. **Please compose and return this document in a Microsoft Word format.**

## 2.6 INDIANA ECONOMIC IMPACT

All companies desiring to do business with state agencies must complete an “Indiana Economic Impact” form (Attachment C). The collection and recognition of the information collected with the Indiana Economic Impact form places a strong emphasis on the economic impact a project will have on Indiana and its residents regardless of where a business is located. The collection of this information does not restrict any company or firm from doing business with the state. The amount entered in Line 16 “Total amount of this proposal, bid, or current contract” should match the amount entered in the Attachment D, Cost Proposal Template.

## 2.7 BUY INDIANA INITIATIVE/INDIANA COMPANY

It is the Respondent’s responsibility to confirm its Buy Indiana status for this portion of the process. If a Respondent has previously registered its business with IDOA, go to <http://www.in.gov/idoa/2464.htm> and click on the link to update this registration. Click the tab titled Buy Indiana. Select the appropriate category for your business. Respondents may only select one category. Certify this selection by clicking the check box next to the certification paragraph. Once this is complete, save your selection and exit your account.

Respondents that have not previously registered with IDOA must go to <http://www.in.gov/idoa/2464.htm> and click on the link to register. During the registration process, follow the steps outlined in the paragraph above to certify your business’ status. The registration process should be complete at the time of proposal submission.

Respondent must clearly indicate which preference(s) they intend to claim in the Business Proposal, Attachment E, Section 2.3.14 (Respondent will only be evaluated on the criteria selected/cited from IC 5-22-15-20.5).

Additionally, Respondents that wish to claim the Buy Indiana preference (for any criteria listed below) must have an email confirmation of their Buy Indiana status provided by [buyindianainvest@idoa.in.gov](mailto:buyindianainvest@idoa.in.gov) included in the proposal response. The email confirmation must have been provided from within one year prior to the proposal due date.

Respondents must also fully complete the Indiana Economic Impact form (Attachment C) and include it with their proposal response.

### Defining an Indiana Business:

“Indiana business” refers to any of the following:

A business whose principal place of business is located in Indiana.

(2) A business that pays a majority of its payroll (in dollar volume) to residents of Indiana.

(3) A business that employs Indiana residents as a majority of its employees.

(4) A business that makes significant capital investments in Indiana.

(5) A business that has a substantial positive economic impact on Indiana.

Substantial Capital Investment:

Any company that can demonstrate a minimum capital investment in Indiana of \$5 million or more in plant and/or equipment or annual lease payments in Indiana of \$2.5 million or more shall qualify as an Indiana business under I.C.5-22-15-20.5 (b)(4).

Substantial Indiana Economic Impact:

Any company that is in the top 500 companies (adjusted) for one of the following categories: number of employees (DWD), unemployment taxes (DWD), payroll withholding taxes (DOR), or Corporate Income Taxes (DOR); it shall qualify as an Indiana business under I.C. 5-22-15-20.5 (b)(5).

## **SECTION THREE PROPOSAL EVALUATION**

### **3.1 PROPOSAL EVALUATION PROCEDURE**

The State has selected a group of personnel to act as a proposal evaluation team. Subgroups of this team, consisting of one or more team members, will be responsible for evaluating proposals with regard to compliance with RFP requirements. All evaluation personnel will use the evaluation criteria stated in Section 3.2. The Commissioner of IDOA or their designee will, in the exercise of their sole discretion, determine which proposals offer the best means of servicing the interests of the State. The exercise of this discretion will be final.

The procedure for evaluating the proposals against the evaluation criteria will be as follows:

- 3.1.1 Each proposal will be evaluated for adherence to requirements on a pass/fail basis. Proposals that are incomplete or otherwise do not conform to proposal submission requirements may be eliminated from consideration.
- 3.1.2 Each proposal will be evaluated on the basis of the categories included in Section 3.2. A point score has been established for each category.
- 3.1.3 If technical proposals are close to equal, greater weight may be given to price.
- 3.1.4 Based on the results of this evaluation, the qualifying proposal determined to be the most advantageous to the State, taking into account all of the evaluation factors, may be selected by IDOA and the Lottery for further action, such as contract negotiations. If, however, IDOA and the Lottery decide that no proposal is sufficiently advantageous to the State, the State may take whatever further action is deemed necessary to fulfill its needs. If, for any reason, a proposal is selected and it is not possible to consummate a contract with the Respondent, IDOA may begin contract preparation with the next qualified Respondent or determine that no such alternate proposal exists.

The evaluation criteria listed above are not necessarily listed in the order of importance or weight. Thus, while Respondents are strongly encouraged to offer the lowest price and total cost and highest value possible, the Respondent offering the lowest price and total cost may not be selected as the Vendor. IDOA and The Lottery will conduct a fair, comprehensive and impartial evaluation of all Proposals deemed responsive using an evaluation committee.

### **3.2 EVALUATION CRITERIA**

Proposals will be evaluated based upon the proven ability of the Respondent to satisfy the requirements of the RFP in a cost-effective manner. Each of the evaluation criteria categories is described below with a brief explanation of the basis for evaluation in that category. The points associated with each category are indicated following the category name (total maximum points = 97). For further information, please reference Section 3.2.3 below. If any one or more of the listed criteria on which the responses to this RFP will be evaluated are found to be inconsistent or

incompatible with applicable federal laws, regulations or policies, the specific criterion or criteria will be disregarded and the responses will be evaluated and scored without taking into account such criterion or criteria.

***Summary of Evaluation Criteria:***

<b>Criteria</b>	<b>Points</b>
1. Adherence to Mandatory Requirements	Pass/Fail
2. Management Assessment/Quality (Business and Technical Proposal)	<b>50 available points</b>
3. Cost (Cost Proposal)	<b>25 available points</b>
4. Indiana Economic Impact	5
5. Buy Indiana	5
6. Minority Business Enterprise Subcontractor Commitment	5 ( 1 bonus point is available, see Section 3.2.6)
7. Women Business Enterprise Subcontractor Commitment	5 ( 1 bonus point is available, see Section 3.2.6)
<b>Total</b>	<b>95 (97 if bonus awarded)</b>

All proposals will be evaluated using the following approach.

Step 1

In this step proposals will be evaluated only against Criteria 1 to ensure that they adhere to Mandatory Requirements. Any proposals not meeting the Mandatory Requirements will be disqualified.

Step 2

The proposals that meet the Mandatory Requirements will then be scored based on Criteria 2 and 3 ONLY. This scoring will have a maximum possible score of 75. All proposals will be ranked on the basis of their combined scores for Criteria 2 and 3 ONLY. This ranking will be used to create a “short list”. Any proposal not making the “short list” will not be considered for any further evaluation.

Step 2 may include one or more rounds of proposal discussions, oral presentations, clarifications, demonstrations, etc. focused on cost and other proposal elements. Step 2 may include a second “short list”.

Step 3

The short-listed proposals will then be evaluated based on all the entire evaluation criteria outlined in the table above.

If the State conducts additional rounds of discussions and a BAFO round which lead to changes in either the technical or cost proposal for the short listed Respondents, their scores will be recomputed.

The section below describes the different evaluation criteria.

3.2.1 Adherence to Requirements – Pass/Fail

Respondents passing this category move to Phase 2 and proposal is evaluated for Management Assessment/Quality and Price.

**The following 2 categories cannot exceed 75 points.**

3.2.2 Management Assessment/Quality

**50** available points

3.2.3 Price

**25** available points

Cost scores will then be normalized to one another, based on the lowest cost proposal evaluated. The lowest cost proposal receives a total of 25 points. The normalization formula is as follows:

- *Respondent's Cost Score = (Lowest Cost Proposal / Total Cost of Proposal) X 25*

3.2.4 Indiana Economic Impact (5 points)

See Section 2.6 for additional information.

The total number of full time equivalent (FTE – please see Section 1.2 for a definition of FTE's) Indiana resident employees for the Respondent's proposal, to execute the scope of work proposed in this RFP, (prime contractor and subcontractors) will be used to evaluate the Respondent's Indiana Economic Impact. Points will be awarded based on a graduated scale. The Respondent with the most Indiana FTEs will be awarded 5 points. Points will then be awarded to the remaining Respondents proportionately. Please see Attachment C, Indiana Economic Impact Form, for more detailed instructions.

3.2.5 Buy Indiana Initiative – 5 points

Respondents qualifying as an Indiana Company as defined in Section 2.7 will receive 5 points in this category.

3.2.6 Minority (5 points) & Women's Business (5 points) Subcontractor Commitment - (10 points).

The following formula will be used to determine points to be awarded based on the MBE and WBE goals listed in Section 1.20 of this RFP. Scoring is conducted based on an assigned 10-point, plus possible 2 bonus-points, scale (MBE: Possible 5 points + 1 bonus point, WBE: Possible 5 points + 1 bonus Point). Points are assigned for respective MBE participation and WBE participation based upon the BAFO meeting or exceeding the established goals.

If the respondent's commitment percentage is less than the established MBE or WBE goal, the maximum points achieved will be awarded according to the following schedule:

%	1%	2%	3%	4%	5%	6%	7%	8-10%
Pts.	.625	1.25	1.875	2.5	3.125	3.75	4.375	5.0

*NOTE: Fractional percentages will be rounded up or down to the nearest whole percentage. (e.g. 7.49% will be rounded down to 7% = 4.375 pts., 7.50% will be rounded up to 8% = 5.00 pts.)*

If the respondent's commitment percentage is rounded down to 0% for MBE or WBE participation the respondent will receive 0 points.

If the respondent's commitment percentage is 0% for MBE or WBE participation, a deduction of 1 point will be discounted on the respective MBE or WBE score.

The respondent with the greatest applicable VSC participation which exceeds the stated goal for the respective MBE or WBE category will be awarded 6 points (5 points plus 1 bonus point). In cases where there is a tie for the greatest applicable VSC participation and both firms exceed the goal for the respective MBE/WBE category both firms will receive 6 points.

### 3.2.7 REMOVED

### 3.2.8 Qualified State Agency Preference Scoring

When applicable, pursuant to Indiana Code 5-22-13, a qualified state agency submitting a response to this RFP will be awarded preference points for Minority and Women's-Owned Business Enterprise equal the Respondent awarded the highest combined points awarded for such preferences in the scoring of this RFP.

The Commissioner of IDOA or its designee will, in the exercise of their sole discretion, will determine which proposal(s) offer the best means of servicing the interests of the State. The exercise of this discretion will be final.