

**STATE OF VERMONT  
OFFICE OF PURCHASING & CONTRACTING  
109 STATE STREET  
MONTPELIER VERMONT 05633-3001**

**ADDENDUM # 1 for RFP  
Lottery Gaming Services, Sales Channels, and Related Systems  
December 17, 2018**

PROPOSAL DATE: December 11, 2018

FOR : State of Vermont

REQUISITION NUMBER: N/A

**CHANGES:**

1) Bidders Conference information:

The only topics to be covered are

1. Claims and payments not performed at retail locations
2. Instant ticket allocations/retailer ordering
3. Terminal game drawings
4. Retailer contracting

Bidder Conference Log in Info

802-552-8456

PIN 90351572#

2) The following Documents have been uploaded to the RFP website.

1. Claims and payments not performed at retail locations
2. Instant ticket allocations retailer ordering
3. Terminal Game Drawings
4. VERMONT LOTTERY APPLICATION PROCESS

Stephen Fazekas  
PURCHASING AGENT

#### Claims and payments not performed at retail locations – check payments by Lottery Headquarters

1. Claimant presents ticket and completed claim form to Lottery Headquarters;
2. Lottery cashes the ticket at Lottery Headquarters indicating the payment will be made by check on the terminal;
3. Lottery looks for setoffs and ineligible winners using an Excel workbook maintained by Lottery;
4. Lottery enters a claim into the gaming system;
5. The gaming system prints a check on blank paper stock with MICR toner;
6. The check and claim form are reviewed by an authorized check signer before signature is placed on the check;
7. Check is presented to claimant;
8. Various claims reports are available including payment registers, tax reports, and claim detail reports.

#### Claims and payments not performed at retail locations – Claims paid directly at Peoples United Bank

1. Claimant goes to Lottery's banking partner branch, completes claim form, and presents claim form and ticket to bank teller;
2. Claimant and ticket information is communicated by the bank teller to Vermont Lottery Headquarters either via fax or telephone;
3. Lottery cashes the ticket using a cashing only terminal at Lottery Headquarters;
4. Lottery looks for setoffs and ineligible winners using an Excel workbook maintained by Lottery;
5. Lottery enters a claim into the gaming system;
6. Lottery identifies the claim as a "Bank Pay" so that the system knows that no check is issued;
7. The branch number where the claim originated is entered in the claim using a drop-down list. The branch number is used in lieu of a check number;
8. The Lottery authorizes the bank to pay the claimant. The claim number is used as the authorization number for the bank and is documented on the claim form.
9. Original claim forms and tickets are sent from the bank to Lottery Headquarters;
10. Bank claims are handled on reports the same as claims paid via check. Reports include payment registers, tax reports, and claim detail reports.

## **Instant ticket allocations/retailer ordering**

### **NEW GAMES**

1. New games are typically released to the public on the first Friday of the month.
2. Each retailer is set up with parameters for each price point that indicate how many books the retailer should receive for each game.
3. Orders are packed by Lottery staff throughout the four weeks leading up to the game launch.
4. The orders are shipped two days before the public release date. Retailers can receive the shipment but not activate books until the public release date.

### **REPLENISH**

5. Shipments of automatic reorders happen Monday through Thursday.
6. Each retailer is set up with the following parameters:
  - a. How many books of each game at each price point the agent should have in their inventory.
  - b. The maximum number of games the agent should have on hand for each price point.
  - c. The frequency of shipments (every 7, 14 or 21 days) and day of shipment (Monday – Thursday).
7. The system generates orders prior to Lottery staff arriving for the day.
8. Orders are packed by Lottery staff throughout the day and are picked up by UPS in the afternoon to be delivered the following day.

### **OTHER**

9. If a retailer is low on tickets when their Marketing & Sales representative does their visit the rep can issue inventory to the retailer through the lottery terminal.
10. In the event a retailer is low on tickets and their rep isn't scheduled to visit, the retailer may call in an order. The order is taken over the phone by Lottery Customer Service and then given to Marketing & Sales to be reviewed and placed.
11. Orders are packed by Lottery staff throughout the day and are picked up by UPS in the afternoon to be delivered the following day.

## Terminal Game Drawings

1. Winning numbers are received from
  - a. MUSL via MARS for Powerball, Mega Millions and Lucky For Life
  - b. New Hampshire draw room via email for Megabucks, Gimme 5, Pick 3 and Pick 4
2. We use dual entry of winning numbers
  - a. First entry of winning numbers
    - i. Vendor operations staff does first entry of winning numbers for all drawings
  - b. Second entry of winning numbers
    - i. A different member of the vendor's operations staff does second entry of winning numbers for Gimme 5 (M,W,F 7:00 pm) and Pick 3 and Pick 4 (Sun – Sat 1:10 pm and 6:59 pm)
    - ii. Lottery ICS staff does second entry of winning numbers for Megabucks, Powerball, Mega Millions and Lucky For Life
3. Enabling of payments
  - a. Powerball, Mega Millions, and Lucky For Life – payments are enabled the following morning after receiving draw reports from MUSL
  - b. Megabucks – payments are enabled first thing the following morning after receiving the Tri-State MBP Make Official email from Vermont ICS.
  - c. Gimme 5, Pick 3 and Pick 4 – payments are enabled immediately after the drawing is complete

## VERMONT LOTTERY APPLICATION PROCESS

1. Application is received at Lottery Office and date stamped.
2. Check application to be sure information is complete (tax numbers listed, signed background check form(s), signed Agreement, completed W-9 tax form, completed EFT form. If any information is missing, contact applicant by letter and explain that application cannot be processed until missing information is received.
3. Give copy of application and evaluation form to respective sales rep to conduct on-site evaluation. Sales rep to assign route, parameters, initial orders and auto orders for instant tickets, jackpot sign.
4. Give background check forms to Director of Security to conduct background search online.
5. Fax memo to VT Tax Department to verify that the applicant has registered for their Sales and Use Tax ID number. A license cannot be issued until confirmation is given by the Tax Department that the applicant is registered with them.
6. When background checks and tax reports are cleared and the sales rep returns the evaluation with recommendation, give application and evaluation to Marketing & Sales Manager and then to the Director of Marketing & Sales for sign off.
7. Assign agent number for region and type license. Enter the information into gaming system.
8. License, application, License Agreement, evaluation is then given to the Director for signature.
9. When license is approved, send agent notification letter of approval
10. The Terminal Management Form (Excel file) must be completed and emailed to the on-line vendor to order the appropriate communication hookup and terminal installation.
11. When online vendor verifies that the communication network is complete, contact the agent to confirm they have installed a dedicated outlet. Arrange the terminal installation and training date with the on-line vendor and coordinate with the sales rep and store.