



VIRGINIA LOTTERY

ADDENDUM NO. 1 TO ALL OFFERORS:

Reference: Request for Unsealed Proposals: **RFP9120PM**
Commodity: **eCard Reward Program**
Issue Date: November 8, 2023
Due Date: **December 20, 2023, 3:00 PM EST**
Date of Addendum: November 29, 2023

Offerors are required to acknowledge all RFP addenda in the original solicitation document on page 31.

The following questions were submitted in response to the preproposal conference on November 15, 2023 and for the first round of questions due on November 20, 2023.

1. Q How is employee information entered into the current reward system? Does the system integrate with HR or payroll? Does it reside in the cloud? Where is the HR database located?

A Employee information is entered manually as new employees are hired.
The system does not integrate with HR or payroll. Current records are maintained using Excel spreadsheets. Those spreadsheets are maintained by HR and shared with the payroll department.
The system is accessed via a link on the Lottery's intranet which resides in the cloud.
The HR database is in the Lottery's HRIS system.
2. Q How many participants are using the program on an annual basis?

A The Lottery has ~400 employees and all are entered into the program.
3. Q What is the VA Lottery's estimated annual eGift card dollar

volume?

A The Lottery isn't currently using eGift cards, only plastic gift cards. The approximate annual spend is ~\$9,600.00.

4. Q For the 66 average monthly card orders, what is the average card value?

A That varies every month. Card values vary from \$5 to \$100 in \$5 increments.

5. Q Where do the department codes assigned to each employee come from?

A. This information is shared with HR by payroll.

6. Q What's the difference between spendable points and transferable points?

A Spendable points are ones each employee can spend when purchasing their eCards. Transferable points are ones each manager can award to an employee.

7. Q How are the number of points assigned to each manager?

A The number of points given to each manager is dependent on the number of employees reporting to that manager. Points can be assigned to any level manager to allocate to the employees reporting to them.

8. Q Is there an approval process once an employee places an order?

A No, there isn't an approval process for orders placed by employees. Employees can spend their points when they choose and purchase whatever eCards are available.

9. Q How do employees know they've been awarded points?

A The system generates an email to the employee when points are awarded. The email notifies them of the award, who awarded the points, which core value they exhibited, and how many points were awarded.

10. Q In addition to email, would the VA Lottery be open to using SMS text messaging for user notifications and to drive usage?

- A No, each employee's Lottery email address is all that will be supplied.
11. Q Does the VA Lottery want the look and feel of the system to remain the same?
- A At a minimum, the Lottery wants the functionality to remain the same. The look and feel can change. Ultimately, it's up to each Offeror to propose what they think will be in the Lottery's best interest when considering time, effort and expense. **The current platform does not belong to the Lottery. This platform is the property of our current Contractor.**
12. Q In addition to adding new card vendors, what are some aspects of the current system that the VA Lottery would like to improve upon, if possible?
- A The RFP details the minimum requirements the Lottery is looking for. Offerors are welcome to provide any additional options they may be able to support.
13. Q Is the VA Lottery no longer considering physical cards?
- A No, the Lottery will be moving to a system that issues electronic gift cards via email to its employees.
14. Q Who is the current vendor and how long has the Lottery used them? What are the services provided in the current agreement?
- A The current vendor is Centricity and they have been a business partner for ten (10) years. The most recent amendment is attached.
15. Q What is the current pricing/spend for the existing application? Annual or monthly?
- A The current pricing can be seen in the attached amendment. Invoices are submitted monthly.
16. Q Why has the VA Lottery issued a solicitation for this program?
- A The Lottery is looking to increase convenience for its employees, lessen the amount of time involved in receiving chosen rewards, and to decrease the costs of the program.
17. Q What are the core values this program is based upon?

- A The five (5) VA Lottery core values are: Integrity, Innovation, Collaboration, Empowerment and Customer Focus.
18. Q The functionalities on the admin screen such as Store Settings, Store Designer, Store Content, Store Management, etc. – are these disabled permanently or are these functionalities needed? Are these placeholders and actually have no use for the eCard rewards?
- A These are not disabled, although the Lottery tends to use Store Management for reporting needs, Programs and Budgets and Users and Marketing for adding, deleting, and editing employees and associated information.
19. Q Please confirm that admin console is only used to manage users (add, update, delete users).
- A The admin console is also used for reporting and establishing manager versus employee status.
20. Q Is Costore Console hosted inside the VA Lottery data center or is it hosted on the cloud/externally and managed by a 3rd party company?
- A It is managed by the Lottery's current Contractor.
21. Q Who does the VA Lottery contact when any technical glitch or issue is faced by HR when using Costore Console (managing users, reports, etc.)?
- A Depending on the glitch, the Lottery uses the Lottery IT team or the current Contractor.
22. Q How does the VA Lottery make changes in reports? Who do you contact and what is the turnaround time to make changes/customize reports?
- A The Lottery hasn't had any changes to our reports post implementation. If that situation presented itself, the Lottery would contact the current Contractor and they would have to advise the Lottery on the expected turnaround time.
23. Q What payroll provider does the VA Lottery use? Is it ADP or Paychex or another? If the Lottery needs integration with payroll systems, please share if payroll system accepts API calls.

A The eCard system will not integrate with the payroll or HR systems.

Sincerely,

A handwritten signature in blue ink that reads "Pamela S. Mackey". The signature is fluid and cursive, with the first name "Pamela" being more prominent and the last name "Mackey" following in a similar style.

Pamela S. Mackey, VCO
Senior Contract Officer

**COMMONWEALTH OF VIRGINIA
Virginia Lottery
CONTRACT AMENDMENT #1**

CONTRACT NUMBER:.....PA0001021

DATE OF AMENDMENT:March 27, 2023

CONTRACT TITLE:**Customized Gift Card Redemption Site**

CONTRACT TERM:..... June 27, 2023 through June 26, 2024
Renewal term one (1) of four (4)

ISSUED BY:Commonwealth of Virginia
Virginia Lottery
600 East Main Street
Richmond, Virginia 23219

CONTRACTOR: The E Group, Inc. dba Centricity
11790 Sunrise Valley Drive, Suite T-100
Reston, VA 20191

PURPOSE OF AMENDMENT: To renew the Contract for an additional 12-month period. This Amendment consists of this Page 1 with signatures and Pages 2-5 which are attached hereto.

TOTAL AMOUNT OF CONTRACT (including Amendment 1) Est.:.....\$54,848.96


AMOUNT OF AMENDMENT #1: (estimated)\$15,155.96


CONTRACT SPECIALIST FOR AMENDMENT: Pamela S. Mackey, VCO
804-692-7641; pmackey@valottery.com

ACCOUNTING DATA: Cost Code: 460; Account Code: 1418

The E Group, Inc. dba Centricity

Virginia Lottery

By: 
Signature
Joseph S. Chase
Print Name

By: 
Signature
Pamela S. Mackey
Print Name

EVP Strategic Partners 4-18-2023
Title Date

Sr. Contract 4-19-23
Officer
Title Date

This Amendment is entered into by The E Group, Inc. dba Centricity ("Centricity" or "Contractor") and the Virginia Lottery ("Lottery"), an agency of the Commonwealth of Virginia. The Lottery and Contractor agree that the terms and conditions of this agreement shall be:

- I. **CONTRACT TERM:** The term of this Contract shall be June 27, 2023 through June 26, 2024. This is the first of four (4) one-year renewal options available for this Contract.
- II. **SCOPE OF SERVICE:** With this Amendment, the Scope of Service remains unchanged.

Contractor shall provide and maintain the Lottery's Play of the Day gift card redemption site per the following minimum service requirements:

A. Basic Functionality

1. Administrator of program will be a Human Resource Business Partner ("HRBP"). This individual can assign points to each specified email address/Dream Team member, Manager or Director (henceforth known as "Manager") and track points at redemption and issuance.
2. HRBP can request changes to the messaging on the Play of the Day Welcome page.
3. Program will be managed at the Department level by cost code for Managers and employees.
4. Each Manager will start with a bank of points equivalent to 50 points for each full-time employee and 25 points for each hourly employee reporting to them. Bank of points can be reloaded for Managers annually or more frequently as the Lottery chooses. Transferable and spendable points are also kept segregated.
5. HRBP can request customized emails to Managers when they receive points to transfer and a reminder to award points in 5-point increments.
6. Recognition will be initiated by a Manager who will award an employee points.
7. Recognition emails can be customized to include the recipient's name, the manager who awarded the points, the number of points, the core value exhibited, the justification, and the total number of spendable points.
8. Each point will be worth \$1.

9. All point awards can be redeemed for gift cards valued at \$100 or less. Available gift cards scroll through the Welcome page for employees to see.
10. There will be reporting capability at every level for rollup purposes using cost codes and to provide Finance with amounts for tax purposes.
11. Auto reminder marketing emails can be sent out quarterly/annually to remind employees to redeem points.
12. Unused points can rollover to the next year.

B. Manager Functionality

1. Managers can assign points to anyone.
2. Managers will be able to see current balance of points and award history.

C. Employee Functionality

1. Employee will receive an email after points are awarded to include a description of why they are being recognized and by whom.
2. Employee can redeem points for gift cards online.
3. Employee is able to see award and redeem history.

D. Financials

1. Lottery pays face value for each card.
2. No activation fees for the employees.
3. Lottery will pay shipping expenses via USPS at current rate.

E. Invoicing

1. Invoices shall contain the following information:
 - a. 30-day period represented by invoice;
 - b. name(s) of employee(s) ordering gift cards and what gift card(s) was ordered;
 - c. quantity ordered;
 - d. total charges for handling and shipping of cards

- III. SPECIAL TERMS AND CONDITIONS:** All Special Terms and Conditions remain unchanged.
- IV. GENERAL TERMS AND CONDITIONS:** All General Terms and Conditions remain unchanged.
- V. METHOD OF PAYMENT AND INVOICING:** Invoices can be submitted on a monthly basis and shall be rendered directly to:

Virginia Lottery
Attention: Accounts Payable
 600 East Main Street
 Richmond, VA 23219

or, *preferably* email invoices to VLAP@valottery.com.

Invoice must contain information detailed in the original Contract document on page 4, E, in addition to:

- Virginia Lottery's Contract number
- Brief description of service provided
- Date services were provided
- Invoice total
- Contractor's Federal Identification Number or Federal Employer's Number

If this information is not contained in the invoice, the invoice may be returned to the Contractor.

- VI. COMPENSATION:** The compensation has been adjusted for this renewal amendment:

Monthly Hosting Fee: \$1,050.00/mo. x 12 mo. = \$ 12,600.00

Est. Annual Transaction Fee:

\$2.25 card activation fee + \$0.63 postage x
 avg. 66 transactions/mo. = \$190.08/mo.
 \$190.08/mo. x 12 months = \$ 2,280.96

Security Certificate Fee (1x annual fee): \$ 275.00

Gift cards are charged at face value (pass-through)

Estimated Annual Total: \$ 15,155.96

ESTIMATED VALUE OF AMENDMENT #1 - \$15,155.96

Original Contract Value:	\$ 7,193.00 +
Added to cover costs:	\$13,000.00 (11/28/22)
Added to cover costs:	\$19,500.00 (3/7/23)
Amendment #1:	<u>\$15,155.96</u>
Total Amount of Contract:	\$54,848.96

VII. INTEGRATION OF CONTRACT: Amendment 1 and the Contract are the complete and exclusive agreement between the parties with respect to the subject matter hereof, superseding and replacing any and all prior agreements, communications, and understandings, both written and oral, regarding such subject matter. No alteration, amendment or modification of this Contract shall be effective unless it is reduced to writing, signed by the parties and attached hereto.