Commonwealth of Virginia

Virginia Lottery

Request for Sealed Proposals

Title: Media Production Services

Due Date: January 13, 2027

Contact Information:

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Request for Proposals (RFP) :.....13843KA

RFP Issue Date:..... November 23, 2026

Contract Term: .....April 16, 2027 – April 15, 2029

Proposal Due Date and Time:.....January 13, 2027 3:00PM EST

The Virginia Lottery does not discriminate against faith-based organizations or against an Offeror because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment. The Virginia Lottery encourages firms to provide for the participation of small businesses and businesses owned by minorities and women through partnerships, joint ventures, and subcontracting opportunities.

Complete Legal Name of Offeror's Firm: _____

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I. **PURPOSE:**

The Virginia Lottery is soliciting proposals from qualified firms to establish multiple contracts, through competitive negotiation, for Media Production Services. The Lottery anticipates making awards for two or more qualified Offerors. Any resulting Contracts will be used on a project-by-project, as-needed basis. An award does not guarantee a minimum amount of work, projects, or compensation.

II. **BACKGROUND:**

The Virginia Lottery produces a wide range of broadcast and long-form video content in support of Lottery advertising, products, promotions, public information initiatives, constituent communications, sponsorships, and other organizational needs. The Lottery seeks to establish contracts with qualified video production companies capable of providing comprehensive production services across a range of project types, production requirements, budgets, and levels of complexity.

The Virginia Lottery has transitioned to a direct production management model and will no longer rely on a contracted creative services agency to manage video production vendors. Under this model, the Lottery will work directly with selected production partners to manage project scope, production planning, budgeting, execution, and delivery.

For each production opportunity, the Lottery anticipates providing the awarded vendors with a creative brief, draft storyboard, project requirements, sample of asset deliverables, anticipated production schedule, and a designated production scenario/level of effort. Vendors will then be invited to submit a project-specific proposal and cost estimate based on those requirements. All awarded vendors will be given the opportunity to submit their proposal.

During FY26, the Lottery completed approximately nine (9) video productions that required production company services, including three (3) projects that were generally consistent with Scenario Three, two (2) projects generally consistent with Scenario Two and four (4) projects generally consistent with Scenario One. Please see Appendix One for more information on the scenarios. The Lottery anticipates a comparable level of production activity during the resulting contract period; however, these quantities are provided for planning purposes only and do not represent a guarantee of minimum or maximum work. Project workload will be solely determined by the Lottery.

The resulting production contract(s) are intended to provide the Virginia Lottery with access to qualified production resources capable of executing projects ranging from relatively straightforward productions to more complex, fully produced broadcast, radio, and video content. The Lottery will provide sufficient creative direction and project parameters to allow vendors to develop responsive production approaches and cost proposals.

III. **STATEMENT OF NEEDS:**

The Offeror shall be capable of planning and producing media content for the Lottery. Specific requirements are outlined below:

A. **Full-Service Media Production**

Offeror shall have the ability to provide comprehensive media production services, including pre-production, production, post-production, and content distribution services. The Contractor shall have the ability to travel to Virginia Lottery Headquarters, located at 600 East Main Street, Richmond, Virginia, as requested by the Lottery for in-person collaboration, project review, final review and approval, and delivery of completed project deliverables.

B. **Pre-Production Services**

Offeror shall provide pre-production planning and consultation services, which may include, but are not limited to:

1. Defining project objectives and communication goals.
2. Creative concept refinement
3. Continuity (C-Script) editing and content development.
4. Storyboard refinement and production planning.
5. Casting and talent sourcing. Casting and talent will need to be Virginia residents unless otherwise approved by the Virginia Lottery.
6. Location scouting and permitting assistance. Locations will need to be within 30 miles of Richmond, Virginia unless otherwise approved by the Virginia Lottery.
7. Set design, construction, and staging.
8. Budget development and schedule management.
9. Facilitation of planning meetings and project kickoff sessions with Lottery personnel.

C. **Production Services**

Offeror shall provide full-scale production services, which may include, but are not limited to:

1. Production management and coordination.
2. Equipment setup, operation, and tear-down.
3. Directing and producing. Directors will need to be Virginia residents unless otherwise approved by the Virginia Lottery.
4. Studio and field production.
5. Multi-camera video production.
6. Photography and videography services.
7. Talent management and on-site coordination.
8. Professional lighting, audio, and technical support services.
9. Access to current industry-standard production equipment and technology.
10. Access to professional studio facilities capable of supporting multi-set productions and green-screen/chroma-key productions.
11. Facilities, equipment, and production personnel may be provided through approved subcontractors. Any subcontractor utilized shall provide the Lottery reasonable access to facilities and equipment on an as-needed basis throughout the contract term.

D. **Post-Production Services**

Offeror shall provide professional post-production services, including but not limited to:

1. Primary and backup editing suites capable of producing High Definition (HD), Ultra High Definition (UHD), and other industry standard formats.
2. Non-linear editing systems utilizing current industry-standard software, including Adobe Premiere Pro, Avid Media Composer, DaVinci Resolve, or equivalent professional editing platforms.
3. Secure file management, project collaboration, and remote access capabilities.
4. Secure cloud-based or network-based collaboration platforms that allow project stakeholders to review, comment on, and approve content.
5. Compatibility with multiple audio and video formats and delivery specifications.
6. Secure electronic file transfer capabilities.
7. Broadcast-quality 2D and 3D graphic design, animation, visual effects, motion graphics, compositing, and color grading services utilizing current industry-standard software.
8. Interactive design services, including digital content, web graphics, and user interface assets when required.
9. Secure archival and retrieval of work-in-progress, raw footage, project assets, and completed deliverables.

E. **Audio Production Services**

Offeror shall provide full-service audio production services in studio and field environments, including but not limited to:

Professional audio recording, editing, mixing, mastering, and sound design services.

1. Original music composition and licensing support.
2. Voice-over recording services, including in-person and remote recording capabilities.
3. Access to music libraries, sound effect libraries, and commercial audio resources.
4. Podcast production and audio content development services, when requested.
5. Audio production services may be provided through approved subcontractors; however, any subcontractor utilized shall provide services and access on an as-needed basis.

F. **Content Management and Digital Services**

Offeror shall provide content management and digital media services, which may include:

1. Digital asset management.
2. Content organization and archival services.
3. Web and interactive media support.
4. Digital content optimization.
5. Content programming and development services.
6. Media asset storage and retrieval capabilities.

G. **Project Management and Account Services**

Offeror shall provide dedicated account management and project support services throughout the duration of each project, including:

1. Designation of a primary point of contact.
2. Project scheduling and timeline management.
3. Resource planning and coordination.
4. Progress tracking and status reporting.
5. Risk identification and issue resolution.
6. Coordination of subcontractors and third-party resources.
7. Budget monitoring and project oversight.
8. Timely communication with Lottery personnel.
9. Facilitate talent and music renewals.

H. **Media Distribution Services**

Offeror shall provide media distribution services, including the ability to distribute content to:

1. Broadcast television outlets.
2. Radio stations.
3. Digital advertising platforms.
4. Streaming and connected television platforms.
5. Social media platforms.
6. The Lottery's designated media trafficking partner.
7. Any other distribution channel approved by the Lottery.

I. **Accessibility and Compliance**

Offeror shall have the capability to produce content that meets applicable accessibility requirements and industry standards, including but not limited to:

1. Closed captioning.
2. Subtitle generation.
3. Transcript creation.
4. Accessible digital media formatting when requested by the Lottery.
5. Audio description.

J. **Security and Confidentiality**

The Offeror shall maintain the confidentiality and security of all Virginia Lottery information, materials, scripts, concepts, marketing plans, recordings, project files, and other non-public information obtained or developed in connection with this Contract. The Offeror shall implement appropriate administrative, technical, and physical safeguards to prevent unauthorized access, disclosure, alteration, loss, or misuse of Lottery information; limit access to authorized personnel with a legitimate business need; and ensure any subcontractors are subject to equivalent confidentiality obligations. The Offeror shall promptly notify the Virginia Lottery of any actual or suspected security incident or unauthorized disclosure and shall cooperate fully in any investigation or remediation efforts. Upon completion or termination of the Contract, the Offeror shall return or securely destroy all Lottery confidential information as directed by the Virginia Lottery.

K. **Emerging Technologies**

Offeror shall demonstrate the ability to utilize current and emerging media production technologies, workflows, and distribution methods that enhance creative quality, production efficiency, audience engagement, collaboration, and digital content delivery.

IV. PROPOSAL PREPARATION AND SUBMISSION REQUIREMENTS:

A. GENERAL REQUIREMENTS:

1. RFP Response: To be considered for selection, Offerors must submit a complete response to this RFP. The cover page of this solicitation indicates that proposals will be accepted as sealed. Proposals will preferably be received through electronic submission via the eVA vendor portal. Submissions will also be accepted by hand delivery to the Contract Officer indicated on the cover page.

a. **IF PROPOSAL IS SUBMITTED ELECTRONICALLY**: Electronic proposal submission through eVA is preferred. Offeror must be registered in eVA to submit an electronic proposal. Additionally, Offerors must be registered in eVA to be awarded a procurement. Offerors must submit one (1) complete copy of the proposal and attachments as well as one (1) copy with proprietary information redacted.

The following are instructions for submitting an electronic proposal:

1. Go to www.eva.virginia.gov;
2. Click on "I Sell to Virginia";
3. Click on "eVA Supplier Training;" and
4. Click on "Viewing and Responding to Solicitation Video."

If an Offeror needs assistance submitting an electronic response, the Offeror must contact eVA Customer Care at 866-289-7367 or email eVACustomerCare@dgs.virginia.gov.

b. **IF PROPOSAL IS MAILED**: One (1) original and five (5) copies of each proposal must be submitted to the Lottery. Each hardcopy proposal must also contain the following:

1. An electronic version of the complete proposal on a jump drive, and
2. An electronic version of the complete proposal with any proprietary information removed. Proprietary information is detailed in section 2.d. below.

Offeror must mail proposal to the Virginia Lottery, Attention: 22nd Floor Purchasing Office, 600 East Main Street, Richmond, Virginia 23219. The proposal must be enclosed in an envelope or package and identified as follows:

Name of Offeror
Due Date and Time
Offeror's complete address
RFP No.
RFP Title

If a proposal is not identified as outlined above, the Offeror takes the risk that the proposal may be inadvertently opened and the information compromised, which may cause the proposal to be disqualified. No other correspondence or other proposals should be placed in the envelope.

c. **IF PROPOSAL IS HAND DELIVERED (INCLUDING COURIER)**: Proposal must be delivered to 600 East Main Street, Richmond, Virginia 23219. Due to increased building security, an Offeror must only deliver a proposal to the Security Guard Station located on the **Main Street entrance** of the Lottery Headquarters, Main Street Centre (address above). **However, the Security Guard is not responsible for identifying the date and time a proposal is received; only a Virginia Lottery employee can make that determination.** The Security Guard will contact an appropriate Lottery employee for proposal receipt, and this process could take 30 minutes or longer.

Late proposals will not be accepted.

Note: The Lottery does not conduct public openings.

d. No other distribution of the proposal shall be made by the Offeror.

e. Offeror is requested to respond to each section/subsection in the order in which it appears in the RFP.

1. Proposal Preparation:
   a. Proposals shall be signed by an authorized representative of the Offeror.
   b. Failure to submit all information requested may result in the Evaluation Team giving a lower evaluation score of the proposal.
   c. An explanation describing how the Offeror will accomplish each requirement must be included in the Offeror's proposal. The phrase "fully comply" without an explanation is unacceptable. If a requirement is not provided, state "Not Provided." Proposals that are substantially incomplete or lack key information may be rejected by the Lottery.
   d. Ownership of all data, materials, and documentation originated and prepared for the Lottery pursuant to the RFP shall belong exclusively to the Lottery and be subject to public inspection in

accordance with the Virginia Freedom of Information Act. Trade secrets or proprietary information submitted by an Offeror shall not be subject to public disclosure under the Virginia Freedom of Information Act; however, the Offeror must invoke the protections of §2.2-4342 of the *Code of Virginia*, in writing, either before or at the time the data or other material is submitted. The written notice must specifically identify the data or materials to be protected and state the reasons why protection is necessary. The proprietary or trade secret material submitted must be identified by some distinct method such as highlighting or underlining and must indicate only the specific words, figures, or paragraphs that constitute trade secret or proprietary information. The classification of an entire proposal document, line-item prices, and/or total proposal prices as proprietary or trade secrets is not acceptable and will result in rejection of the proposal.

2. Oral Presentation: Offerors who submit a proposal in response to this RFP may be required to give an oral presentation to the Evaluation Team. This provides an opportunity for the Offeror to clarify or elaborate on the proposal.

B. **SPECIFIC PROPOSAL REQUIREMENTS:**

Proposals shall be as thorough and detailed as possible so the Lottery may evaluate Offeror's capabilities to provide the required services. In addition to any other requirements imposed by this Request for Proposals, Offerors are required to submit the following items as a complete proposal:

Section 1 Signed Proposal, Addenda, Proprietary Information and Exceptions to T/Cs

1. A fully completed and signed Signature and Offeror Profile Sheet.

2. A fully completed Proprietary Information table which indicates the page number(s) containing proprietary information:

Proprietary Information Table:

Section/Title	Page Number(s)	Reason(s) for Withholding from Disclosure

3. The acknowledgement of any addenda released in reference to this RFP.

4. Desired exceptions to any Special or Information Security Terms and Conditions within the RFP. An Offeror's request to remove or modify a

Special Term and Condition within the RFP does not guarantee the Lottery's acceptance of the Special Term and Condition exemption or any modification of a Term or Condition. **NOTE: The Lottery will not sign any Offeror's documents, MSAs, or any other type of agreement(s). The Lottery's General Terms and Conditions shall not be negotiated.

5. Disclose all AI or AI-enabled functionality proposed for use in connection with the Lottery account, including the type of AI, whether it uses generative AI, its intended purpose, and its proposed use. No AI or AI-enabled functionality may be implemented or used until approved by the Lottery in writing.

Section 2. Creative Capabilities

Offerors shall submit demo materials that demonstrate the full range of their production capabilities for review. Offeror shall display, at a minimum, animation, live action, special effects, and sound design, and shall clearly identify the creative or production role it performed for each spot or program included in the demo materials. Offerors shall submit demo materials in flash drive format or provide a website URL. Demo material shall be submitted with the proposal or, if submitted separately, shall be labeled with the RFP number and title and must be submitted by the RFP due date.

Section 3. Resource Capability

1. Offeror shall describe its ability to furnish all equipment necessary to perform the services identified in the Statement of Needs, including cameras, lighting, microphones, and related production equipment. Identify the principal equipment available in-house and explain how additional equipment will be obtained through rental, purchase, or third-party arrangements to meet project requirements and schedules.

2. Offeror shall describe its casting and talent-sourcing capabilities, including its approach to identifying, auditioning, securing, and coordinating talent appropriate to each project. Identify whether these services will be provided in-house or through contracted resources and explain how applicable Lottery requirements will be met.

3. Offeror shall describe its ability to assemble and manage qualified production teams, including directors, producers, camera operators, lighting technicians, audio technicians, and other personnel required for each project. Identify which roles are available in-house and explain how contracted personnel will be sourced and secured as needed to meet project requirements and schedules.

4. Offeror shall describe its ability to provide the post-production services identified in the Statement of Needs, including video editing, graphics, animation, visual effects, color correction and grading, audio editing and mixing, and preparation of final deliverables. Identify the principal

facilities, software, and resources available and distinguish between services provided in-house and those provided through subcontractor.

5. Offeror shall describe its ability to provide live-streaming and virtual event production services.

6. Offeror shall identify and describe services, equipment and facilities offered for field production staff, gear availability, and studio access.

Section 4. Methodology

1. Offeror shall describe its media production process, including pre-production (as required in *Section III, Statement of Needs*), production (as required in *Section III, Statement of Needs*), and post-production (as required in *Section III, Statement of Needs*).

2. Offeror shall describe its proposed approach to providing project management and account services as required in Section III.G, Statement of Needs.

3. Offeror shall describe the methods that will ensure Lottery projects are completed in a timely manner.

4. Offeror shall describe its proposed methodology for providing the content management and digital services identified in the Statement of Needs, including digital asset management, content organization and archival, web and interactive media support, digital content optimization, content programming and development, and media asset storage and retrieval. The response shall identify the proposed tools, platforms, and workflows and explain how Lottery personnel will securely access, review, retrieve, and reuse content throughout the project lifecycle.

5. Offeror shall describe its proposed methodology for providing the media distribution, accessibility, and emerging technology capabilities identified in the Statement of Needs. The response shall explain its approach to preparing and delivering content across required distribution channels, coordinating with the Lottery's designated media trafficking partner, and verifying delivery and platform compatibility; producing and reviewing closed captions, subtitles, transcripts, and accessible digital media to meet applicable requirements; and evaluating and incorporating current and emerging technologies to enhance creative quality, production efficiency, audience engagement, collaboration, and content delivery. Identify the principal tools, workflows, quality assurance measures, and any reliance on subcontractors or third-party services.

Section 5. Pricing

Offeror shall review Appendix 1 and price accordingly. In addition to providing a price that matches the requirements, Offerors are encouraged to submit alternate methods or other suggestions on how to achieve the objective outlined in the Appendix.

Section 6. Small, Women-Owned, and Minority-Owned Business (SWaM)

Offeror shall provide a detailed description of participation of minority-owned, woman-owned, and small businesses in the performance of this Contract through subcontracting programs. Please complete the SWaM table below. Please note the Lottery only recognizes business certified by the Virginia Department of Small Business and Supplier Diversity (SBSD) as SWaM. Offerors may add additional lines as required:

Small Business Name and Certificate Number	Planned Involvement	Planned Contract Dollars
Certificate #:		$
Certificate #:		$
	Total Planned Contract Dollars	$

Offerors may find a list of registered SWaM companies by contacting SBSD or visiting https://www.sbsd.virginia.gov/certification-division/swam/.

C. **SOLICITATION QUESTIONS AND PROCUREMENT TIMELINE:**

1. Offerors can submit questions via email to the Contract Officer whose name appears on the cover page of this solicitation. All contact, whether verbal or written, pertaining to this RFP, shall be with that designated Contract Officer for the duration of the procurement process.

   The Lottery does not guarantee a response to any questions received after 01/05/2027.

2. The following procurement timeline is subject to change as the procurement progresses. Please note the deadline within which to submit questions.

Procurement Process	Estimated Completion Date
First Round of Questions	December 8, 2026
Addendum #1 issued (if applicable)	December 17, 2026
Second Round of Questions (if applicable)	December 29, 2026
Addendum #2 issued (if applicable)	January 5, 2027
RFP Due Date	January 13, 2027
Estimated Contract Award	April 2027

V. EVALUATION AND AWARD CRITERIA:

A. EVALUATION CRITERIA:

The Lottery seeks to Contract for the goods and/or services described herein with the responding Offeror(s) whose proposal(s), as modified through negotiations, are determined to be in the best interest of the Lottery. Written proposals, any subsequent negotiated offers, and presentations, as applicable, will be evaluated and judged by the Lottery based on the criteria set forth herein. As part of the evaluation process, the Lottery may invite selected Offerors to participate in a presentation and concept exercise. At the time the presentation invitation is issued, the Lottery will provide each selected Offeror with a concept to be used in preparing its presentation. Offerors will have four (4) weeks from receipt of the concept to prepare their presentation. Offerors will be evaluated on the quality and effectiveness of the Director's Treatment, proposed production approach, proposed costs, overall execution of the concept, and responses to questions during the presentation.

Evaluation Criteria	Scoring Points Available
Creative Capabilities	35
Resource Capability	25
Methodology	20
Pricing	10
SWaM	10
Total Points Available	100

B. AWARD OF CONTRACT:

Two or more Offerors deemed to be fully qualified and best suited among those submitting proposals may be identified on the basis of the evaluation criteria stated herein. Negotiations may be conducted with such Offerors. Following negotiations, the Lottery intends to make multiple awards under this solicitation and may award Contracts to two or more Offerors determined to be fully qualified and best suited. The number of awards will be determined by the Lottery in its sole discretion and in its best interest. The Lottery reserves the right to make a single award, multiple awards, or no award. The Lottery may cancel this RFP or reject proposals at any time prior to award and is not required to furnish a statement of the reasons why a particular proposal was not deemed to be the most advantageous. Should it be determined in

writing that only one Offeror is fully qualified, or that one Offeror is clearly more highly qualified than the others under consideration, the Lottery may negotiate and award a Contract to that Offeror.

VI. SPECIAL TERMS AND CONDITIONS:

A. ADVERTISING:

In the event a Contract is awarded for supplies, equipment, and/or services resulting from this solicitation, no indication of such sales and/or services to the Lottery shall be used in product literature or advertising without the Lottery Executive Director's prior written approval. The Contractor shall not state in any of its advertising or product literature that the Lottery has purchased or uses its products and/or services.

B. AUDIT:

The Contractor shall retain all books, records, and other documents relative to this Contract for five (5) years after final payment, or until audited by the Lottery and/or the Commonwealth of Virginia, whichever is sooner. The Lottery, its authorized agents, and/or state auditors shall have full access to and the right to examine any of said materials during said period and at no cost to the Lottery nor the Commonwealth of Virginia.

C. PROPOSAL ACCEPTANCE PERIOD:

Any proposal in response to this solicitation shall be valid for 180 days. At the end of the 180-day period, the proposal may be withdrawn at the written request of the Offeror. If the proposal is not withdrawn at that time, it remains in effect until an award is made or the solicitation is canceled.

D. CANCELLATION OF CONTRACT:

The Lottery reserves the right to cancel and terminate any resulting Contract, in part or in whole, without penalty, upon 60 days written notice to the Contractor. In the event of a material breach with no options to cure, the Lottery reserves the right to cancel this Contract within ten (10) days written notice. If the initial Contract period is for more than 12 months, the resulting Contract may be terminated by either party, without penalty, after the initial 12 months of the Contract period upon 60 days written notice to the other party. Any Contract cancellation notice shall not relieve the Contractor of the obligation to deliver and/or perform on all outstanding orders issued prior to the effective date of cancellation.

E. DATA BREACH:

In the event of any error or omission, negligence, misconduct, or breach that compromises or is suspected to compromise the security, confidentiality, or integrity of Lottery data or the physical, technical, administrative, or organizational safeguards put in place by the Contractor that relate to the protection of the security, confidentiality, or integrity of Lottery data, the Contractor must, as applicable:

1. Notify the Lottery as soon as practicable but no later than 24 hours of becoming aware of such occurrence (in particular, notification to the Lottery's Information Security Director via telephone call and email to the Lottery's Information Security Director, Deputy General Counsel, and Director of Security).
2. Cooperate with the Lottery in investigating the occurrence, including making available all relevant records, logs, files, data reporting, and other materials required to comply with applicable law or as otherwise required by the Lottery.
3. In the case of personally identifiable information ("PII"), at the Lottery's sole election, (i) notify the affected individuals who comprise the PII as soon as practicable but no later than is required to comply with applicable law, or, in the absence of any legally required notification period, within five (5) calendar days of the occurrence; or (ii) reimburse the Lottery for any costs in notifying the affected Individuals.
4. Provide third-party credit and identity monitoring services to each of the affected individuals who comprise the PII for the period required to comply with applicable law, or, in the absence of any legally required monitoring services, for no less than 24 months following the date of notification to such individuals.
5. Perform or take any other actions required to comply with applicable law as a result of the occurrence.
6. Indemnify, defend, and hold harmless the Lottery and the Commonwealth of Virginia for any and all claims, including reasonable attorneys' fees, costs, and expenses incidental thereto, which may be suffered by, accrued against, charged to, or recoverable from the Lottery in connection with the occurrence.
7. Be responsible for recreating lost Lottery data in the manner and on the schedule set by the Lottery without charge to the Lottery.
8. Provide the Lottery a detailed plan within ten (10) calendar days of the occurrence describing the measures Contractor will undertake to prevent a future occurrence.

Notification to affected individuals, as described above, at a minimum: name and contact information of Contractor's representative; a description of the nature of the loss; a list of the types of data involved; the known or approximate date of the loss; how such loss may affect the affected individual; what steps Contractor has taken to protect the affected individual; what steps the affected individual can take to protect himself/herself; contact information for major credit reporting agencies; and, information regarding the credit and identity monitoring services to be provided by the Contractor.

F. **DATA OWNERSHIP:**

The Lottery shall own and have full and complete access to all data collected on its behalf at all times, through the term of this Agreement. The Lottery shall

have the ability to import or export its data in piecemeal or in its entirety at the Lottery's discretion at no charge to the Lottery. This includes the ability for the Lottery to import or export Data to/from other Contractors. This can, if specified within this Agreement, be conducted by providing application programmable interface or other such efficient electronic tools. Upon expiration or termination of this Agreement, the Lottery shall have full access to all pertinent data for a period of 60 calendar days. This period will be covered at no charge. This can, if specified within this Agreement, be conducted by providing application programmable interface or other such efficient electronic tools. During this period, the Contractor shall not take any action to erase and/or withhold any data, except as directed by the Lottery.

G. **DATA USAGE:**

The Contractor shall not copy or transfer Lottery data unless authorized by the Lottery. In such an event the data shall be copied and/or transferred in accordance with the provisions of this Section. Contractor shall not access any Data for any purpose other than fulfilling the service. Contractor is prohibited from Data Mining, cross tabulating, monitoring Authorized User's Data usage and/or access, or performing any other Data analytics other than those required within this Contract. At no time shall any Data or processes (e.g., workflow, applications, etc.), which either are owned or used by the Lottery, be copied, disclosed, or retained by the Contractor or any party related to the Contractor unless explicitly specified by the Lottery. Contractor is allowed to perform industry standard back-ups of Data. Documentation of back-up must be provided to the Authorized User upon request. Contractor must comply with any and all security requirements within this Contract.

H. **ARTIFICIAL INTELLIGENCE**

The Contractor shall not implement, enable, activate, deploy, integrate, or otherwise utilize any artificial intelligence ("AI"), generative AI, machine learning, large language model, automated decision-making capability, or similar AI-enabled functionality in connection with the Contract without the Lottery's prior written approval.

Prior to implementing or enabling any such functionality, the Contractor shall disclose the proposed AI use to the Lottery and provide information reasonably requested by the Lottery to evaluate the technology, its intended use, data handling practices, security and privacy risks, and any other potential impacts to the Lottery.

The Lottery may require the proposed AI use to undergo review and approval by the Lottery's applicable governance, security, privacy, legal, data, or technology review process before approval is granted. The Contractor shall cooperate with such review and provide any documentation or information reasonably requested by the Lottery.

Approval of one AI capability does not constitute approval of any other AI capability. The Contractor shall provide advance written notice of any new or

materially modified AI functionality, including functionality introduced through software updates, product enhancements, third-party integrations, or platform changes, and shall obtain the Lottery's written approval prior to its use.

The Lottery may condition, restrict, suspend, or withdraw approval of an AI capability when reasonably necessary to address security, privacy, legal, regulatory, operational, or other risks.

I. **DISCOUNTS, PROMPT PAYMENT:**
Discounts for prompt payment will not be calculated in determining net low proposal. Discounts for prompt payment will be shown on the purchase order/Contract and taken if invoices are processed and payment made within the stipulated period. If discounts are not offered, payment shall be made thirty (30) days after receipt of an accurate invoice by the Virginia Lottery's Accounts Payable Department. Offeror shall indicate discount (if applicable) with the "Pricing section" near the end of this solicitation.

J. **FINAL INSPECTION:**
At the conclusion of the work, the Contractor shall demonstrate to the Lottery's representative(s) that the work is fully operational and in compliance with Contract specifications and codes. Any deficiencies shall be promptly and permanently corrected by the Contractor at the Contractor's sole expense prior to final acceptance of the work.

K. **FORCE MAJEURE:**
The Contractor shall not be in default by reason of any failure in performance of this Contract in accordance with its terms (including any failure by the Contractor to make progress in the prosecution of the work here under which endangers such performance) if such failure arises out of causes beyond the control and without the fault or negligence of the Contractor. Such causes may include, but are not restricted to, acts of God or of public enemy, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather, but in every case the failure to perform must be beyond the control and without the fault or negligence of the Contractor.

L. **INDEMIFICATION:**
Contractor agrees to indemnify and hold harmless the Commonwealth of Virginia, the Lottery, their Board Members, officers, directors, agents and employees (collectively, "Commonwealth's Indemnified Parties") from and against any and all losses, damages, claims, demands, proceedings, suits and actions, including any related liabilities, obligations, losses, damages, assessments, fines, penalties (whether criminal or civil), judgments, settlements, expenses (including attorneys' and accountants' fees and disbursements) and costs (each, a "Claim" and collectively, "Claims"), incurred by, borne by or asserted against any of Commonwealth's Indemnified Parties to the extent such Claims in any way relate to, arise out of or result from: (i) any intentional or willful conduct or negligence of any employee, agent, or

subcontractor of the Contractor, (ii) any act or omission of any employee, agent, or subcontractor of the Contractor, (iii) breach of any representation, warranty or covenant of the Contractor contained herein, (iv) any defect in the Contractor/subcontractor-provided products and/or services, or (v) any actual or alleged infringement or misappropriation of any third party's intellectual property rights by any of the Contractor/subcontractor-provided products and/or services. Selection and approval of counsel and approval of any settlement shall be accomplished in accordance with all applicable laws, rules, and regulations. For state agencies, the applicable laws include §§ 2.2-510 and 2.2-514 of the Code of Virginia. In all cases involving the Commonwealth or state agencies, the selection and approval of counsel and approval of any settlement shall be satisfactory to the Commonwealth.

In the event that a Claim is commenced against any of Commonwealth's Indemnified Parties alleging that use of the Contractor/subcontractor-provided products and/or services, including any components thereof, or that the Contractor's/subcontractor's performance or delivery of any product and/or service under this Contract infringes any third party's intellectual property rights and the Contractor is of the opinion that the allegations in such Claim in whole or in part are not covered by this indemnification provision, Contractor shall immediately notify the Lottery in writing, via certified mail, specifying to what extent the Contractor believes it is obligated to defend and indemnify under the terms and conditions of this Contract. The Contractor shall in such event protect the interests of the Commonwealth's Indemnified Parties and secure a continuance to permit the Lottery to appear and defend their interests in cooperation with the Contractor as is appropriate, including any jurisdictional defenses the Lottery may have.

In the event of a Claim pursuant to any actual or alleged infringement or misappropriation of any third party's intellectual property rights by any of the Contractor/subcontractor-provided Deliverables, Products, Software, Services, Solution, including Solution Components, Application and Licensed Services, as applicable, or Contractor's/subcontractor's performance, and in addition to all other obligations of the Contractor in this Section, the Contractor shall at its expense, either (a) procure for all Authorized Users the right to continue use of such infringing Deliverables, Products, Software, Services, Solution, including Solution Components, Application and Licensed Services, as applicable, or any component thereof; or (b) replace or modify such infringing Deliverables, Products, Software, Services, Solution, including Solution Components, Application and Licensed Services, as applicable, or any component thereof, with non-infringing Deliverables, Products, Software, Services, Solution or Solution Component(s), Application and Licensed Services, as applicable, satisfactory to the Lottery. And in addition, the Contractor shall provide the Lottery with a comparable temporary replacement product and/or service or reimburse the Lottery for the reasonable costs incurred by the Lottery in obtaining an alternative product and/or service, in the event the Lottery cannot use the affected Deliverable, Product, Software, Services, Solution or Solution Component(s), Application

and Licensed Services, as applicable, or any component thereof. If the Contractor cannot accomplish any of the foregoing within a reasonable time and at commercially reasonable rates, then the Contractor shall accept the return of the infringing Deliverables, Products, Software, Services, Solution, Solution Component, Application and Licensed Services, as applicable, or any component thereof, along with any other components rendered unusable by the Lottery as a result of the infringing component, and refund the price paid to the Contractor for such components.

M. **NOTICE OF MATERIAL LEGAL DISPUTE:**
Contractor shall notify the Lottery of its involvement in any legal dispute that is or may become material to this Contract. Contractor shall provide the Lottery with pertinent, non-privileged details upon request.

N. **PERFORMANCE CONTRACTOR:**
Contractors providing goods and/or services to the Lottery are required to perform in accordance with the terms and conditions of their contract. When contractual requirements are not met, the following actions may be taken (at the Lottery's option):

1. Contractor Complaint Form:
   If a Contractor fails to perform in accordance with the terms and conditions of the contract, the Lottery will prepare a Contractor Complaint Form. This form will be sent to the Contractor for a corrective action plan.

2. Default:
   If the Contractor is non-responsive to the complaint form or does not satisfy the corrective action plan provided in the complaint form or provides an unsatisfactory corrective plan as determined by the Lottery, the Contractor may, at the Lottery's discretion, be placed in default and notified via Contractor Complaint Form.

3. Ineligible for Award:
   Once placed in default, the Contractor will be ineligible to do business with the Lottery for purchases exceeding $5,000 for a period of **three (3) years**.

4. Re-procurement of Goods and/or Services:
   In addition to a contractor's ineligibility for award of contracts over $5,000, the Lottery may procure the goods and/or services from other sources and hold the Contractor responsible for the difference between the original contract amount and the amount of the new contract. The Lottery will follow competitive principles as outlined herein for the re-procurement.

   The Contractor will remain in default until the re-procurement costs have been paid to the Lottery. The Contractor is still subject to the three

(3) year ineligibility based on the default regardless as to when the re-procurement cost is paid.

5. Number of Complaints:
    a) For Term Contracts: If the Contractor has received three or more complaints within the initial contract period as documented by Contractor Complaint Forms, the Contractor may, at the Lottery's discretion, be ineligible to submit a bid/proposal if the goods/services are re-solicited at expiration of contract. Ineligibility shall apply even though a satisfactory resolution to all complaints occurred.
    b) For a Renewal Period: If the Contractor has received three or more complaints within a renewal period as documented by Contractor Complaint Forms, the Contractor may, at the Lottery's discretion, be ineligible to submit a bid/proposal if the goods/services are re-solicited at expiration of contract. Ineligibility shall apply even though a satisfactory resolution to all complaints occurred.
    c) For Spot Purchases: If the Contractor has received three or more complaints within a period of one year as documented by Contractor Complaint Forms, the Contractor may, at the Lottery's discretion, be ineligible to do business with the Lottery for purchases exceeding $10,000 for a period of one year after the issuance of the third Contractor Complaint Form. Ineligibility shall apply even though a satisfactory resolution to all complaints occurred.

O. **PRIME CONTRACTOR RESPONSIBILITIES:**

The Contractor shall be responsible for completely supervising and directing the work under this Contract and all subcontractors that it may utilize, using its best skill and attention. Subcontractors that perform work under this Contract shall be responsible to the prime Contractor. The Contractor agrees that it is fully responsible for the acts and omissions of its subcontractors and of persons employed by them as it is for the acts and omissions of its own employees.

P. **PRODUCT AVAILABILITY/ SUBSTITUTION:**

Substitution of a product, brand, or manufacturer after the award of Contract is expressly prohibited unless approved in writing by the Contract Officer. The Lottery may, at its discretion, require the Contractor to provide a substitute item of equivalent or better quality subject to the approval of the Contract Officer, for a price no greater than the Contract price, if the product for which the Contract was awarded becomes unavailable to the Contractor.

Q. **REFERENCES:**

Offerors shall provide a list of at least three (3) references where similar goods and/or services have been provided. Each reference shall include the name of

the organization, the complete mailing address, the name of the contact person, telephone number, and email address.

Organization:	
Contact Person:	
Address:	
Telephone:	
Email:	

Organization:	
Contact Person:	
Address:	
Telephone:	
Email:	

Organization:	
Contact Person:	
Address:	
Telephone:	
Email:	

R. **RENEGOTIATION OF CONTRACT:**

The Lottery reserves the right, at any time during the Contract term or any renewals of the term, to renegotiate with the Contractor a reduction in the compensation paid to the Contractor that is less than the compensation initially agreed to by the Contractor and the Lottery at the time of Contract execution. The Lottery may initiate such negotiations whenever the Lottery determines that it is in the Lottery's best fiscal interests to do so. Notwithstanding any other provision of this Contract to the contrary, the Lottery may terminate this Contract immediately and without penalty if the Lottery is unable to renegotiate the compensation with the Contractor to an amount which the Lottery determines to be appropriate.

S. **RENEWAL OF CONTRACT:**

This Contract may be renewed by the Lottery upon written agreement of both parties for four (4) successive one (1) year periods. The Series ID: CWUR0000SAS367, Series Title: Other services in the U.S. city average, urban wage earners and clerical workers, not seasonally adjusted category of the CPI-W section of the Consumer Price Index of the United States Bureau of Labor Statistics (for the latest 12 months for which statistics are available) will be used as a guide in determining price reasonableness if price increases are requested by the Contractor. Price increases may be negotiated only at the time of renewal. Written notice of the Lottery's intention to renew shall be given approximately 90 days prior to the expiration date of each Contract period.

T. **SUBCONTRACTS:**

No portion of the work shall be subcontracted without prior written consent

of the Lottery. In the event that the Contractor desires to subcontract some part of the work specified herein, the Contractor shall furnish the Lottery the names, qualifications, and experience of their proposed subcontractors. The Contractor shall, however, remain fully liable and responsible for the work to be done by its subcontractor(s) and shall assure compliance with all requirements of the Contract.

U. **OWNERSHIP OF INTELLECTUAL PROPERTY:**
All copyright and patent rights to all papers, reports, forms, materials, creations, or inventions created or developed in the performance of this Contract shall become the sole property of the Lottery. On request, the Contractor shall promptly provide an acknowledgment or assignment in a tangible form satisfactory to the Lottery to evidence the Lottery's sole ownership of specifically identified intellectual property created or developed in the performance of the Contract.

V. **PRODUCT SUBSTITUTION:**
During the term of any Contract resulting from this solicitation, the Contractor is not authorized to substitute any item for that product and/or software identified in the solicitation without the prior written consent of the Contracting Officer whose name appears on the front of this solicitation, or his/her designee.

W. **CONTINUITY OF SERVICES:**
The Contractor recognizes that the services under this Contract are vital to the Lottery and must be continued without interruption and that, upon Contract expiration, a successor, either the Lottery or another Contractor, may continue them. The Contractor agrees:

1. To exercise its best efforts and cooperation to affect an orderly and efficient transition to a successor.
2. To make all Lottery owned facilities, equipment, and data available to any successor at an appropriate time prior to the expiration of the Contract to facilitate transition to successor; and
3. That the Lottery Contracting Officer shall have final authority to resolve disputes related to the transition of the Contract from the Contractor to its successor.

The Contractor shall, upon written notice from the Contract Officer, furnish phase-in/phase-out services for up to ninety (90) days after this Contract expires and shall negotiate in good faith a plan with the successor to execute the phase-in/phase-out services. This plan shall be subject to the Contract Officer's approval.

The Contractor shall be reimbursed for all reasonable, pre-approved phase-in/phase-out costs (i.e., costs incurred within the agreed period after Contract expiration that result from phase-in, phase-out operations) and a fee (profit) not to exceed a pro rata portion of the fee (profit) under this Contract. All

phase-in/phase-out work fees must be approved by the Contract Officer in writing prior to commencement of said work.

VII. GENERAL TERMS AND CONDITIONS:

A. ANTI-DISCRIMINATION:

Contractor certifies to the Lottery and the Commonwealth that they will conform to the provisions of the Federal Civil Rights Act of 1964, as amended, as well as the Virginia Fair Employment Contracting Act of 1975, as amended, where applicable, the Virginians with Disabilities Act, the Americans with Disabilities Act. If the award is made to a faith-based organization, the organization shall not discriminate against any recipient of goods, services, or disbursements made pursuant to the Contract on the basis of the recipient's religion, religious belief, refusal to participate in a religious practice, or on the basis of race, age, color, gender or national origin and shall be subject to the same rules as other organizations that Contract with public bodies to account for the use of the funds provided; however, if the faith-based organization segregates public funds into separate accounts, only the accounts and programs funded with public funds shall be subject to audit by the Lottery.

In every Contract over $10,000, the provisions in 1. and 2. apply below:

During the performance of this Contract, the Contractor agrees as follows:

1. The Contractor will not discriminate against any employee or applicant for employment because of race, religion, color, sex, national origin, age, disability, or any other basis prohibited by state law relating to discrimination in employment, except where there is a bona fide occupational qualification reasonably necessary to the normal operation of the Contractor. The Contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this nondiscrimination clause.

2. The Contractor, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, will state that such Contractor is an equal opportunity employer.

3. Notices, advertisements, and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting these requirements.

The Contractor will include the provisions of one. above in every subcontract or purchase order over $10,000, so that the provisions will be binding upon each subcontractor or vendor.

B. ADDENDA:

Any changes or supplemental instructions to this Request for Proposals shall

be in the form of written addenda. Each Offeror is responsible for determining that all addenda issued have been received and shall acknowledge receipt of all addenda in the space provided within the Pricing Schedule or by returning a copy of each signed addendum. Failure to do so may result in rejection of the proposal. All addenda so issued shall become part of the RFP and any resulting Contract documents.

C. **ANNOUNCEMENT OF AWARD:**
Upon the award or the announcement of the decision to award a Contract over $50,000, as a result of this solicitation, Lottery will publicly post such notice on the DGS/DPS eVA web site (www.eva.virginia.gov).

D. **ANTITRUST:**
By entering into a Contract, the Contractor conveys, sells, assigns, and transfers to the Lottery and the Commonwealth of Virginia all rights, title and interest in and to all causes of action it may now have or hereafter acquire under the antitrust laws of the United States and the Commonwealth of Virginia, relating to the particular goods and/or services purchased or acquired by the Lottery under said Contract.

E. **APPLICABLE LAWS AND COURTS:**
This solicitation and any resulting Contract shall be governed in all respects by the laws of the Commonwealth of Virginia, and any litigation with respect thereto shall be brought in the courts of the Commonwealth, in particular, Richmond, Virginia. The Contractor shall comply with all applicable federal, state, and local laws, rules and regulations including Virginia Lottery Law § 58.1-4000 et seq. and the Virginia Lottery Purchasing Manual.

F. **ASSIGNMENT OF CONTRACT:**
A Contract shall not be assignable by the Contractor in whole or in part without the written consent of the Lottery.

G. **AVAILABILITY OF FUNDS:**
It is understood and agreed between the parties herein that the Lottery shall be bound hereunder only to the extent of the funds available or which may hereafter become available for the purpose of this Contract.

H. **PROPOSAL PRICE CURRENCY:**
Unless stated otherwise in the solicitation, Offerors shall state proposal prices in US dollars.

I. **CHANGES TO THE CONTRACT:**
Changes can be made to the Contract in any of the following ways:

1. The parties may agree in writing to modify the scope of the Contract. An increase or decrease in the price of the Contract resulting from such modification shall be agreed to by the parties as a part of their written agreement to modify the scope of the Contract.

2. The Lottery may order changes within the general scope of the Contract at any time by written notice to the Contractor. Changes within the scope of the Contract include, but are not limited to, things such as services to be performed, the method of packing or shipment, and the place of delivery or installation. The Contractor shall comply with the notice upon receipt. The Contractor shall be compensated for any additional costs incurred as the result of such order and shall give the Lottery a credit for any savings. Said compensation shall be determined by one of the following methods:

By mutual agreement between the parties in writing; or

By agreeing upon a unit price or using a unit price set forth in the Contract, if the work to be done can be expressed in units, and the Contractor accounts for the number of units of work performed, subject to the Lottery's right to audit the Contractor's records and/or to determine the correct number of units independently; or

By ordering the Contractor to proceed with the work and keep a record of all costs incurred and savings realized. A markup for overhead and profit may be allowed if provided by the Contract. The same markup shall be used for determining a decrease in price as the result of savings realized. The Contractor shall present the Lottery with all vouchers and records of expenses incurred and savings realized. The Lottery shall have the right to audit the records of the Contractor as it deems necessary to determine costs or savings. Any claim for an adjustment in price under this provision must be asserted by written notice to the Lottery within thirty (30) days from the date of receipt of the written order from the Lottery. If the parties fail to agree on an amount of adjustment, the question of an increase or decrease in the Contract price or time for performance shall be resolved in accordance with the procedures for resolving disputes provided by the Disputes Clause of this Contract or, if there is none, in accordance with the dispute's provisions of the Lottery's Purchasing Manual. Neither the existence of a claim nor a dispute resolution process, litigation or any other provision of this Contract shall excuse the Contractor from promptly complying with the changes ordered by the Lottery or with the performance of the Contract generally.

J. **CLARIFICATION OF TERMS:**

If any prospective Offeror has questions about the specifications or other solicitation documents, the prospective Offeror should contact the Contract Officer whose name appears on the face of the solicitation no later than five working days before the due date. Any revisions to the solicitation will be made only by addendum issued by the Lottery.

K. **DEBARMENT STATUS:**

By submitting their proposal, Offerors certify that they are not currently debarred by the Lottery and/or Commonwealth of Virginia from submitting

proposals on contracts for the type of goods and/or services covered by this solicitation, nor are they an agent of any person or entity that is currently so debarred.

L. **DEFAULT:**

In case of failure to deliver goods or services in accordance with the Contract terms and conditions, the Lottery, after due oral or written notice, may procure them from other sources and hold the Contractor responsible for any resulting additional purchase and administrative costs. This remedy shall be in addition to any other remedies which the Lottery may have.

M. **DRUG-FREE WORKPLACE:**

During the performance of this Contract, the Contractor agrees to (i) provide a drug-free workplace for the Contractor's employees; (ii) post in conspicuous places, available to employees and applicants for employment, a statement notifying employees that the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition; (iii) state in all solicitations or advertisements for employees placed by or on behalf of the Contractor that the Contractor maintains a drug-free workplace; and (iv) include the provisions of the foregoing clauses in every subcontract or purchase order of over $10,000, so that the provisions will be binding upon each subcontractor or vendor.

For the purposes of this section, "*drug-free workplace*" means a site for the performance of work done in connection with a specific Contract awarded to a Contractor, the employees of whom are prohibited from engaging in the unlawful manufacture, sale, distribution, dispensation, possession or use of any controlled substance or marijuana during the performance of the Contract.

N. **ETHICS IN PUBLIC CONTRACTING:**

By submitting their proposal, Offerors certify that their proposals are made without collusion or fraud and that they have not offered or received any kickbacks or inducements from any other Offeror, supplier, manufacturer, or subcontractor in connection with their proposal, and that they have not conferred on any public employee having official responsibility for this procurement transaction any payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value was exchanged.

O. **IMMIGRATION REFORM AND CONTROL ACT OF 1986:**

By entering into a written Contract with the Lottery, the Contractor certifies that it has not and shall not during the performance of the Contract for goods and services in the Commonwealth, knowingly employ an unauthorized alien as defined in the federal Immigration Reform and Control Act of 1986.

P. **INFORMATION SECURITY REVIEW:**

Should the Contractor's obligations involve creating, collecting, or storing Lottery information, which is deemed sensitive by the Lottery, said Contractor shall participate in an annual information security review conducted by the Lottery Information Security Administrator to ensure that information protection policies and practices of the Contractor are sufficient for the Lottery information being created, collected and/or stored.

Q. **INSURANCE:**

By signing and submitting a proposal under this solicitation, the Offeror certifies that if awarded the Contract, it will have the following insurance coverage at the time the Contract is awarded. For construction contracts, if any subcontractors are involved, the subcontractor will have workers' compensation insurance in accordance with §§ 2.2-4332 and 65.2-800 et seq. of the *Code of Virginia*. The Offeror further certifies that the Contractor and any subcontractors will maintain this insurance coverage during the entire term of the Contract and that all insurance coverage will be provided by insurance companies authorized to sell insurance in Virginia by the Virginia State Corporation Commission.

Minimum Insurance Coverages and Limits Required for Most Contracts:

1. Workers' Compensation - Statutory requirements and benefits. Coverage is compulsory for employers of three or more employees, to include the employer. Contractors who fail to notify the Lottery of increases in the number of employees that change their workers' compensation requirements under the *Code of Virginia* during the course of the Contract shall be in noncompliance with the Contract.

2. Employer's Liability - $100,000.

3. Commercial General Liability - $1,000,000 per occurrence. Commercial General Liability is to include bodily injury and property damage, personal injury and advertising injury, products, and completed operations coverage. The Lottery and the Commonwealth of Virginia must be named as an additional insured and so endorsed on the policy.

4. Automobile Liability - $1,000,000 per occurrence. (Only used if motor vehicle is to be used in the Contract.

R. **NONDISCRIMINATION OF CONTRACTOR:**

An Offeror or Contractor shall not be discriminated against in the solicitation or award of this Contract because of race, religion, color, sex, national origin, age, disability, faith-based organizational status, any other basis prohibited by state law relating to discrimination in employment or because the Offeror employs ex-offenders unless the Lottery has made a written determination that employing ex-offenders on the specific Contract is not in its best interest. If the award of this Contract is made to a faith-based organization and an

individual, who applies for or receives goods, services, or disbursements provided pursuant to this Contract objects to the religious character of the faith-based organization from which the individual receives or would receive the goods, services, or disbursements, the Lottery shall offer the individual, within a reasonable period of time after the date of his objection, access to equivalent goods, services, or disbursements from an alternative provider.

S. **PAYMENT:**

1. To Prime Contractor:

a) Invoices for items ordered, delivered, and accepted shall be submitted by the Contractor directly to the payment address shown on the purchase order/Contract. All invoices shall show the Lottery Contract number and/or purchase order number; social security number (for individual contractors) or the federal employer identification number (for proprietorships, partnerships, and corporations).

b) Any payment terms requiring payment in less than 30 days will be regarded as requiring payment 30 days after invoice or delivery, whichever occurs last. This shall not affect offers of discounts for payment in less than 30 days, however.

c) All goods or services provided under this Contract or purchase order, which are to be paid for with Lottery funds, shall be billed by the Contractor at the Contract price.

d) The following shall be deemed to be the date of payment: the date of postmark in all cases where payment is made by mail, or the date of offset when offset proceedings have been instituted as authorized under the Virginia Debt Collection Act.

e) Unreasonable Charges. Under certain emergency procurements and for most time and material purchases, final job costs cannot be accurately determined at the time orders are placed. In such cases, contractors should be put on notice that final payment in full is contingent on a determination of reasonableness with respect to all invoiced charges. Charges which appear to be unreasonable will be researched and challenged, and that portion of the invoice is held in abeyance until a settlement can be reached. Upon determining that invoiced charges are not reasonable, the Lottery shall promptly notify the Contractor, in writing, as to those charges which it considers unreasonable and the basis for the determination. A Contractor may not institute legal action unless a settlement cannot be reached within 30 days of notification. The provisions of this section do not relieve the Lottery of its prompt payment obligations with

respect to those charges which are not in dispute.

2. To Subcontractors:

a) A Contractor awarded a Contract under this solicitation is hereby obligated:

i. To pay the subcontractor(s) within seven (7) days of the Contractor's receipt of payment from the Lottery for the proportionate share of the payment received for work performed by the subcontractor(s) under the Contract; or

ii. To notify the Lottery and the subcontractor(s), in writing, of the Contractor's intention to withhold payment and the reason.

b) The Contractor is obligated to pay the subcontractor(s) interest at the rate of one percent per month (unless otherwise provided under the terms of the Contract) on all amounts owed by the Contractor that remain unpaid seven (7) days following receipt of payment from the Lottery, except for amounts withheld as stated in (2) above. The date of mailing of any payment by U. S. Mail is deemed to be payment to the addressee. These provisions apply to each sub-tier Contractor performing under the primary Contract. A Contractor's obligation to pay an interest charge to a subcontractor may not be construed to be an obligation of the Lottery.

3. The Lottery encourages contractors and subcontractors to accept electronic and credit card payments.

T. **PERSONNEL SECURITY CLEARANCES:**

The Lottery requires that all Board members, officers, and employees working directly on a Contract with the Lottery for such goods or services shall be subject to a criminal background search to be conducted by the chief security officer of the Lottery. Additionally, Lottery Regulation 5-20-410 extends this to include any parent or Subsidiary Corporation of the vendor providing Lottery online or instant ticket goods or services, and any shareholder of 5% or more of the vendor, its parent, or Subsidiary Corporation.

No person who has been convicted of a felony, bookmaking, or other form of illegal gambling, or of a crime involving moral turpitude, shall be employed on Contracts with vendors described in this section.

No Board member, officer, or employee of a vendor to the Lottery of online or instant ticket goods or services working directly on a Contract for such goods or services, or any person residing in the same household of such Board

member, officer or employee, shall purchase a lottery ticket or share, or receive a prize paid on a ticket purchased by or transferred to such person.

U. **PRECEDENCE OF TERMS:**

The following General Terms and Conditions, APPLICABLE LAWS AND COURTS, ANTI-DISCRIMINATION, ETHICS IN PUBLIC CONTRACTING, IMMIGRATION REFORM AND CONTROL ACT OF 1986, DEBARMENT STATUS, ANTITRUST, MANDATORY USE OF LOTTERY DOCUMENT, CLARIFICATION OF TERMS, PAYMENT shall apply in all instances. In the event there is a conflict between any of the other General Terms and Conditions and any Special Terms and Conditions in this solicitation, the Special Terms and Conditions shall apply.

V. **QUALIFICATION OF OFFEROR:**

The Lottery may make such reasonable investigations as deemed proper and necessary to determine the ability of the Offeror to perform the services/ furnish the goods and the Offeror shall furnish to the Lottery all such information and data for this purpose as may be requested. The Lottery reserves the right to inspect Offeror's physical facilities prior to award to satisfy questions regarding the Offeror's capabilities. The Lottery reserves the right to reject any proposal if the evidence submitted by, or investigations of, such Offeror fails to satisfy the Lottery that such Offeror is properly qualified to carry out the obligations of the Contract and to provide the services and/or furnish the goods contemplated therein.

W. **TAXES:**

Sales to the Lottery are normally exempt from State sales tax. State sales and use tax certificates of exemption, Form ST-12, will be issued upon request. Deliveries against this Contract shall usually be free of Federal excise and transportation taxes. The Commonwealth's excise tax exemption registration number is 54-73-0076K.

X. **TESTING AND INSPECTION:**

The Lottery reserves the right to conduct any test/inspection it may deem advisable to assure goods and services conform to the specifications.

Y. **TRANSPORTATION AND PACKAGING:**

By submitting their proposal, all Offerors certify and warrant that the price offered for FOB destination includes only the actual freight rate costs at the lowest and best rate and is based upon the actual weight of the goods to be shipped. Except as otherwise specified herein, standard commercial packaging, packing, and shipping containers shall be used. All shipping containers shall be legibly marked or labeled on the outside with purchase order number, commodity description, and quantity.

Z. **USE OF BRAND NAMES:**

Unless otherwise provided in this solicitation, the name of a certain brand, make, or manufacturer does not restrict Offerors to the specific brand, make,

or manufacturer named, but conveys the general style, type, character, and quality of the article desired. Any article which the Lottery, in its sole discretion, determines to be the equivalent of that specified, considering quality, workmanship, economy of operation, and suitability for the purpose intended, shall be accepted. The Offeror is responsible for clearly and specifically identifying the product being offered and for providing sufficient descriptive literature, catalog cuts, and technical detail to enable the Lottery to determine if the product offered meets the requirements of the solicitation. This is required even if offering the exact brand, make, or manufacturer specified. Failure to furnish adequate data for evaluation purposes may result in a lower score for the Offeror's proposal. Unless the Offeror clearly indicates in its proposal that the product offered is an equivalent product, such proposal will be considered to offer the brand-name product referenced in the solicitation.

VIII. **METHOD OF PAYMENT AND INVOICING:**

Payment will be made monthly upon submission of an invoice.
Invoices shall be rendered directly to:
Virginia Lottery

Attention: Accounts Payable
VLAP@valottery.com (***preferable***)
600 East Main Street
Richmond, VA 23219

Invoices must contain the following information:

- Virginia Lottery's contract number;
- description of the goods and services;
- date goods and 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.

IX. **DISCOUNT FOR PROMPT PAYMENT:**

Discount for prompt payment at: _____%/Net ____ days (see Discount for Prompt Payment requirement herein). This Discount will not be calculated in determining low bid amount(s).

X. **PRICING:**

The Offeror agrees to provide services as specified herein, and in compliance with the terms and conditions of this Request for Proposal at the following price(s):

Please provide pricing for Scenario 1, Scenario 2, and Scenario 3 and complete C. Additional Pricing Information in Appendix 1.

XI. **ADDENDA:**

Offeror hereby acknowledges receipt of and incorporation of all requirements of any addenda issued for this Request for Proposals:

Addendum No. _____ Dated _____
Addendum No. _____ Dated _____
Addendum No. _____ Dated _____

XII. **SIGNATURE AND OFFEROR PROFILE SHEET:**

All proposals must be signed below in order to be considered.

All prices shall be F.O.B. to the delivery address(s) as specified herein. Freight, delivery costs, and incidental charges shall be included in the proposal price(s).

In compliance with this Request for Proposal #13843KA and subject to all conditions thereof, the undersigned offers and agrees to furnish any or all items and/or services proposal herein.

Complete Legal Name of Firm	
Address	
Remit To Address	
Authorized Signature	
Print Name	
Title	FIN #
Email	Telephone

Offeror Profile: Offeror shall indicate whether they are *certified* with the Virginia Department of Small Business and Supplier Diversity as a (check all that apply)

☐ Small Business ☐ Minority-Owned Business ☐ Woman-Owned Business

Certification Number: Expiration Date:

Definitions and information on how to become certified may be obtained at www.sbsd.virginia.gov

Contact person regarding this Proposal	
Check here to use above contact ☐ or provide name below:	
Name:	
Email	Phone

XIII. **OFFERORS CHECKLIST:**

The intent of the checklist is to assist the Offeror in providing a responsive proposal. It may not include all the requirements necessary to submit a responsive proposal. It is the responsibility of the Offeror to read the entire solicitation.

☐	Offeror has clear understanding of goods/services requested.
☐	Offeror understands and agrees to all Special and General Terms & Conditions
☐	Any tables/boxes within the Special Terms and Conditions must be completed by the Offeror (Offeror must write in these tables/boxes).
☐	Offeror understands when proposal is due
☐	Offeror understands where to mail or deliver proposal
☐	Offeror understands that once a proposal is opened, it is a binding document
☐	Offeror signed and provided all information requested on RFP Signature Page
☐	Offeror understands that contact with the Contract Officer is encouraged if any questions arise prior to submitting a proposal
☐	
☐	
☐	
☐	
☐	

APPENDIX 1

Media RFP Production Cost Scenarios

MEDIA PRODUCTION COST SCENARIOS PER PROJECT

A. Instructions to Offerors

The production cost scenarios are intended to establish representative levels of effort for pricing and evaluation purposes. Actual projects may vary in scope, complexity, staffing, deliverables, schedule, and cost and may not correspond precisely to any scenario.

For each scenario, the Offeror shall:

1. Provide a total estimated cost based on the characteristics and pricing assumptions identified for that scenario.
2. Include all labor, personnel, equipment, rentals, materials, supplies, administrative expenses, overhead, profit, and other costs necessary to complete the representative production, unless specifically identified as excluded.
3. Include all applicable pre-production, production, and post-production services identified for the applicable scenario.
4. Identify all pricing assumptions, exclusions, limitations, or qualifications associated with the proposed cost.
5. Identify any cost that is not included in the total estimated cost and explain how that cost would be calculated.
6. Assume that the Virginia Lottery will provide timely review, feedback, and approval during the production process.
7. Provide all final approved deliverables and applicable production files electronically in formats specified by the Virginia Lottery.

The proposed costs will be used for evaluation and comparison purposes only. The production scenarios do not constitute a guarantee of any project, quantity, expenditure, compensation, or level of work under any resulting Contract. Actual project requirements, schedules, deliverables, and pricing will be established through an approved project scope or other written authorization issued by the Virginia Lottery.

If an Offeror believes that an assumption is insufficient to develop its pricing, the Offeror shall clearly state the additional assumption used to calculate the proposed cost.

B. Production Cost Scenario

Scenario 1:

Representative Project

A straightforward studio production requiring standard production personnel and equipment. The Virginia Lottery's in-house creative team will perform all post-production services.

Characteristics

1. Single studio location
2. One shoot day
3. Minimal props and set dressing
4. No custom set construction
5. No travel expenses
6. No specialty equipment
7. No post-production required, raw footage delivered to Virginia Lottery
8. No radio production

Pricing Assumptions

For purposes of pricing, the Offeror shall assume the following:

Pre-Production

1. One pre-production planning meeting in person or virtual
2. Basic production planning and scheduling
3. Preparation of a production schedule and call sheet
4. Coordination of the studio, crew, equipment, and talent
5. Initial storyboard and creative direction provided by the Virginia Lottery
6. Director's treatment optional
7. No location scouting
8. No custom set design or construction

Production

1. One studio shoot day
2. One studio location in the Richmond, Virginia area
3. Studio rental, if required
4. Three on-camera talent
5. Talent fees and usage rights, if applicable
6. Basic hair and makeup services
7. Minimal props and set dressing
8. Producer or production manager

9. Director
10. Standard production crew appropriate for the project
11. Standard camera package
12. Standard lighting and grip package
13. Standard production audio equipment
14. General production supplies and expendables
15. Transfer of all captured footage and applicable production files to the Virginia Lottery

Post-Production

The Offeror shall assume that the following services will be completed by the Virginia Lottery's in-house creative team and shall not be included in the Scenario 1 cost:

1. Video editing
2. Color correction or color grading
3. Motion graphics
4. Visual effects
5. Audio editing and mixing
6. Voice-over recording
7. Music licensing
8. Captioning
9. Development of final deliverables

Scenario 1 Cost Proposal

Pre-Production: $_____

Production: $_____

Other Costs: $_____ (Specify)

Total Estimated Scenario 1 Cost: $_____

Overtime Rate, if applicable: $_____ per hour

Offeror's Assumptions, Exclusions, or Qualifications

Scenario 2:

Representative Project

A professionally produced commercial featuring cinematic storytelling, multiple actors and/or extras, multiple settings, enhanced production design, and comprehensive post-production.

Characteristics

1. Multiple sets or locations (up to 3 locations)
2. Extras may be needed depending on each project (up to 10)
3. Enhanced art direction and production design
4. Cinematic camera and lighting approach
5. Comprehensive post-production
6. Broadcast, radio and social media deliverables

Pricing Assumptions

For purposes of pricing, the Offeror shall assume the following:

Pre-Production

1. Three pre-production planning meetings
2. Creative and technical consultation
3. Production planning, scheduling, and coordination
4. Development of the production schedule, call sheets, and shot list
5. Location scouting and coordination
6. Coordination of permits and location releases, if required
7. Casting coordination
8. Coordination of crew, equipment, wardrobe, props, and production resources
9. Initial storyboard provided by Virginia Lottery
10. Director's treatment required
11. Development of basic production-design and art-direction plans

Production

1. Two shoot days
2. Two production locations in the Richmond, Virginia area
3. Location and facility fees
4. Five principal on-camera talent
5. Ten background extras
6. Talent fees and usage rights
7. Hair, makeup, and wardrobe support

8. Props, set dressing, and production-design materials
9. Producer or production manager
10. Director
11. Director of photography
12. Standard production crew appropriate for a premium commercial
13. Professional camera package
14. Cinematic lighting and grip package
15. Professional production audio equipment
16. Standard specialty equipment is reasonably necessary for the production
17. General production supplies and expendables
18. Meals and local production transportation
19. Talent lodging and/or airfare held to a minimum. Talent should not incur these fees.

Post-Production

1. Video editing
2. Color correction or color grading
3. Audio editing, sound design, and final mixing
4. Basic motion graphics
5. Basic visual effects, as appropriate
6. Commercially licensed production music
7. Captioning and accessible versions, as requested
8. Two consolidated rounds of revisions
9. Final quality-control review
10. Electronic delivery of final approved files
11. Radio production if needed
12. Transfer of final project files and other agreed-upon production assets to the Virginia Lottery

Required Deliverables

Pricing shall include the creation and delivery of the following versions from the same approved commercial concept:

1. One 30-second version
2. One 15-second version
3. One 6-second version
4. One 30-second radio spot
5. Three social media adaptations derived from the approved content
6. Captioned versions of final approved deliverables

7. Final approved files formatted for their intended broadcast or digital use

Scenario 2 Cost Proposal

Pre-Production: $_____

Production: $_____

Post-Production: $_____

Talent and Usage Rights: $_____

Other Costs: $_____

Total Estimated Scenario 2 Cost: $_____

Overtime Rate, if applicable: $_____ per hour

Additional Revision Rate: $_____ per hour or $_____ per round

Offeror's Assumptions, Exclusions, or Qualifications

Scenario 3:

Representative Project

A major campaign; holiday or brand campaign launch, new game launch or multi-platform advertising initiative involving multiple locations, a large cast, extensive production design, custom scenic elements, specialty equipment, and a broad asset strategy.

Characteristics

1. Multiple locations, up to five
2. Multiple shoot days, up to four
3. Large primary cast, up to six
4. Six or more extras required, if project requires
5. Significant art direction and production design
6. Custom-built sets or scenic elements
7. Cinematic camera packages and advanced lighting
8. Specialty production equipment
9. Comprehensive post-production
10. Integrated asset capture for multiple communication platforms

Pricing Assumptions

For purposes of pricing, the Offeror shall assume the following:

Pre-Production

1. Five scheduled pre-production planning meetings
2. Comprehensive creative and technical consultation
3. Production planning, scheduling, and project management
4. Preparation of production schedules, call sheets, shot lists, and other production documents
5. Location scouting and coordination
6. Coordination of permits, releases, and location requirements
7. Casting coordination
8. Coordination of crew, equipment, transportation, wardrobe, props, scenic elements, and other production resources
9. Initial storyboard provided by Virginia Lottery
10. Director's treatment required
11. Detailed art direction and production-design planning
12. Planning and design of custom sets or scenic elements
13. Development of an integrated asset-capture plan supporting multiple platforms and formats

Production

1. Three shoot days
2. Four production locations in the Richmond, Virginia area
3. Location and facility fees
4. Eight principal on-camera talent
5. Fifteen background extras
6. Talent fees and usage rights
7. Hair, makeup, and wardrobe services appropriate for a large-scale production
8. Significant props, set dressing, and production-design materials
9. Custom set construction or scenic elements
10. Producer or production manager
11. Director
12. Director of photography
13. Full production crew appropriate for a signature brand campaign
14. Professional cinematic camera package
15. Advanced lighting and grip package
16. Professional production audio equipment
17. Specialty equipment appropriate for the representative scenario
18. General production supplies and expendables
19. Meals and local production transportation
20. Talent lodging and/or airfare held to a minimum. Primary talent should not incur these fees.

Post-Production

1. Comprehensive video editing
2. Color correction or color grading
3. Audio editing, sound design, and final mixing
4. Motion graphics
5. Visual effects, as appropriate
6. Commercially licensed production music
7. Captioning and accessible versions, as requested
8. Three consolidated rounds of revisions
9. Final quality-control review
10. Electronic delivery of final approved files
11. Transfer of final project files and other agreed-upon production assets to the Virginia Lottery

Required Deliverables

Pricing shall include the capture and development of content supporting broadcast, digital, social media, retail, sponsorship, and promotional uses. The Offeror shall assume delivery of:

1. One 60-second version
2. One 30-second version
3. One 15-second version
4. One 6-second version
5. Two 30-second radio spots
6. Six social media adaptations derived from the approved campaign content
7. Ten edited still images captured from the production or approved footage
8. Captioned versions of final approved video deliverables
9. Final approved files formatted for their intended broadcast, digital, social media, retail, sponsorship, or promotional use

Scenario 3 Cost Proposal

Pre-Production: $_____

Production: $_____

Post-Production: $_____

Talent and Usage Rights: $_____

Set Construction and Scenic Elements: $_____

Specialty Equipment: $_____

Other Costs: $_____

Total Estimated Scenario 3 Cost: $_____

Overtime Rate, if applicable: $_____ per hour

Additional Revision Rate: $_____ per hour or $_____ per round

Offeror's Assumptions, Exclusions, or Qualifications

C. Additional Pricing Information

The Offeror shall identify any rates or costs that may apply outside the representative scenario of pricing.

Additional Shoot Day: $_____ per day

Additional Principal Talent: $_____ per person

Additional Background Extra: $_____ per person

Additional Location: $_____ per location

Additional Editing Services: $_____ per hour

Motion Graphics Services: $_____ per hour

Visual Effects Services: $_____ per hour

Sound Design or Audio Mixing: $_____ per hour

Custom Music Composition: $_____ per project or hour

Additional Revision Round: $_____ per round