

Camelot Illinois

Request for Proposal for the provision of bank account verification services for iLottery.

December 4, 2017

1 Introduction

Camelot Illinois is a leading technology and services provider to lotteries around the world.

The Illinois State Lottery (www.illinoislottery.com) awarded the Private Management Agreement (PMA) to Camelot Illinois on Sept 29 2017 following a bid submission. Following the Notice of Award, the PMA was executed on Oct 13 2017.

This Request for Proposal (RFP) is for a Service Provider to provide bank account verification services on the iLottery website for the Illinois Lottery, under the management of Camelot Illinois.

Camelot Illinois, as part of an overall business strategy to grow revenue for the Illinois Lottery, has plans as part of a Technology Transformation program, to roll out a new, robust and engaging iLottery website that will help grow the number of registered players from 500,000 to 1.2 million by 2022, and increase the number of active players 15 fold.

The Technology Transformation program which will be managed by Camelot Global on behalf of Camelot Illinois aims by Dec 2018 to replace, or upgrade, the existing draw games central system, retail hardware and communications network, the iLottery channel (website and mobile apps).

One strategy for creating a more user-friendly platform is to make it easier and quicker for players to withdraw their winnings to their bank account via ACH transaction. A crucial first step in this process is to verify that the player's bank account is an open and active account so that it can receive funds. The current platform does this via the micro-transaction model. Instead, Camelot Illinois wishes to incorporate a real-time verification method that will significantly streamline the process for players. This is the primary service for which this RFP has been issued.

A possible future update to the platform would allow players to fund their iLottery accounts via ACH transaction, for the purposes of purchasing lottery tickets. At that time, account authentication services may be needed in order to mitigate the risk of fraud by confirming that the bank account belongs to the owner and that the owner is authorized to transact.

Note that the services Camelot Illinois are seeking as part of this RFP do not include conducting the ACH transaction itself, nor the transfer of funds in any way.

2 Instructions

This document invites your organization to submit a proposal for the supply of bank account verification services, with the future possibility of supplying authentication services, to Camelot Illinois.

Requirements are set out in Section 7.

2.1 Timetable

Your proposal should be submitted by December 27, 2017 5pm CST and for the attention of:

Kamlesh Patel
Email: kamlesh.patel@camelotglobal.com

The headline RFP milestones are as follows:

Issue RFP	Dec 4 2017
Last Date for Questions	Dec 11 2017 by 5pm CST
Question responses	by Dec 15 2017
RFP submission date	Dec 27 2017 by 5pm CST
Presentations (TBD)	Jan 2 - Jan 5 2017
<i>Estimated Date of Award</i>	by Jan 10 2018

Camelot Illinois reserves the right to make any necessary amendments to the above timetable. Any such changes will be posted on the Illinois Lottery website and respondents will be notified in writing of any changes to these dates. Responses submitted late will not be considered.

2.2 Contacts

Please communicate any questions via email to Kamlesh Patel whose email address is kamlesh.patel@camelotglobal.com. Questions regarding the RFP must be emailed before December 11 2017 5pm CST. A consolidated response to any questions will be posted on the Illinois Lottery website under the Business/Procurement Opportunities tab and made available to all respondents without identifying the supplier that asked the question. Camelot Illinois reserves the right to decline to answer specific questions.

2.3 Intention to respond

If our business is of interest to you, and you intend to submit a proposal, respondents are required to submit their intention to respond via email to kamlesh.patel@camelotglobal.com by December 11 2017 5pm CST.

2.4 Response Format

Please provide the following information on the cover page of your response document, and ensure that your organization's name appears on each subsequent page of the document:

- Supplier Name
- Supplier Address
- Contact Name
- Contact Job Title
- E-mail Address
- Telephone Number

Please ensure that your response follows our format (numbering your answers in the format of this document). Failure to do so may result in your answer being misinterpreted or missed. Please answer all questions fully. Responses should be delivered in electronic format via email.

The proposal should explain how you could support Camelot Illinois in the achievement of its objectives.

Where possible, the proposal should also include:

- Innovative ideas on meeting Camelot Illinois requirements
- Why Camelot Illinois should choose you as a supplier, and
- How your service offering differs from the competition

2.5 Supplier Meeting / Site Visit

Those suppliers selected to go forward may be given the opportunity to demonstrate their ability to meet Camelot Illinois requirements through supplier meetings and, if appropriate, site visits to their premises. The supplier must at such meetings/visit be able to demonstrate the end to end processes and systems employed to provide an efficient service. All meetings will be limited to 2 hours or less and apportioning of time should take this into account.

Arrangements will be made following receipt of the RFP Response.

3 Conditions of the RFP

3.1 General Considerations

The issuing of this “RFP” does not constitute a legal offer capable of acceptance.

Camelot Illinois reserves the right to reject any or all of the proposals submitted, or to withdraw the RFP at any time. Camelot Illinois also reserves the right to accept a proposal from suppliers in part only.

Camelot Illinois will not be liable for any costs incurred by any company in connection with the preparation of a response to this RFP, or for any costs incurred for attendance at meetings, presentations, clarifications or demonstrations.

The numbering of the RFP is an important aid in the evaluation process. Please utilize it within your response as this may affect our evaluation of your response.

Prospective suppliers shall take no advantage of any apparent error or omission in the RFP documents. In the event that any errors or omissions are discovered, a supplier shall notify Camelot Illinois immediately.

Please provide complete and accurate information against the specification contained within this RFP. If you are unable to meet any requirements then this should be clearly noted in the appropriate response section(s). Any assumptions within your response to the RFP should be clearly stated.

Any commitment made in response to this RFP will be binding on the Supplier. A commitment includes any guarantee or representation made in the RFP response, accompanying documentation or subsequent negotiation.

3.2 Confidentiality

Subject to Appendix A - Draft/Example Private Manager Agreement Incorporated Terms (“PMA”), of this RFP, any information disclosed in, or in connection with the RFP becomes the property of Camelot subject to supplier’s redaction of confidential, proprietary and other sensitive material in accordance with the PMA and State Policies and Rules. Such information will be available to the public in accordance with State Policies and Rules. However, the failure to designate any materials as “proprietary and confidential” at the time of delivery of such information to Camelot Illinois does not prohibit the supplier from subsequently designating any information as “proprietary and confidential. However, this designation does not necessarily exempt such information from disclosure under the Illinois’ Freedom of Information Act. “

3.3 Employment

From the time this RFP is issued until either (i) six (6) months after the award of a contract or (ii) the rejection of all proposals received by Camelot Illinois, suppliers are prohibited from officially or unofficially making any employment offer or proposing any business arrangement with Camelot Illinois' employees.

3.4 Compliance

Failure to comply with any specific instruction(s) detailed in this RFP may, at Camelot Illinois' discretion, exclude the supplier from further consideration in the process.

3.5 Selection of supplier

Any response that fails to meet the requirements set out in this RFP will be disqualified.

The table below defines the evaluation criteria and the relative importance of each criteria that will be used to evaluate the responses received.

Response Elements	Relates to requirements	Maximum # of Points Possible
How well does the bank account verification service meet our requirements in terms of ease of use, coverage, quality and accuracy, and security	R-7-2, R-7-3, R-7-4, R-7-5, R-7-12, R-7-13, R-7-14	30
Performance, availability and scalability of the service	R-7-6, R-7-7, R-7-10	10
Ease and timeliness of integration and ongoing support services	R-7-8, R-7-9, R-7-11, R-7-15	10
Availability of bank account authentication services and other potential features for future use	R-7-16, R-7-17	10
Overall suitability of supplier, experience and positive references	C-6-1 to C-6-9, R-7-1	10
Overall price, pricing model and value for money	Q-8-2 to Q-8-5	30
	Total	100

Camelot Illinois does not represent that these are the sole criteria and reserves the right to adjust selection criteria until Dec 15 2017. Any such changes will be posted on the Illinois Lottery website, no later than Dec 15 to permit any necessary refinement of their proposal prior to submission.

Camelot Illinois' decision on the winning bidder will be determined by the highest overall score achieved based on the above criteria, scored following submission and if appropriate updated following any presentations. Camelot Illinois' decision will be final.

3.6 Terms and Conditions

Respondents should note that any contract/purchase order award will also be subject to Camelot Illinois' terms and conditions.

Camelot Illinois operates within a regulated environment and it is a requirement of Camelot Illinois' regulator, that suppliers will be vetted or approved by the regulator in advance.

Camelot Illinois and the State of Illinois Department of the Lottery now have in effect a signed Private Manager Agreement (the 'PMA') in which Camelot is the Private Manager of the Illinois State Lottery. The PMA requires Camelot Illinois to pass through various non-negotiable provisions to all suppliers. We will achieve this by including a separate schedule titled 'Private Manager Agreement Incorporated Terms' into the successful respondent's contract. The final version will take priority over any conflicting term in the rest of the contract. Refer to Appendix A for a draft/example version of the Private Manager Agreement Incorporated Terms.

From the time the RFP is issued until the end of the contract term, supplier represents and warrants that (i) it shall not be debarred or prohibited from doing business within the State of Illinois for any reason; nor, (ii) likely to have a material and/or adverse effect on the interests of the Lottery.

Camelot Illinois is looking to establish a contract for an initial term of three years with an option to renew based on supplier's performance and Camelot Illinois' evolving requirements and strategy, this will be subject to negotiations during the contracting stage.

3.8 Validity of Proposal

Proposals should be left open for acceptance or non-acceptance for a period of 90 days from the date the proposal is submitted.

4 Estimated Timings

4.1 Start of Bank Account Verification Services

A phased approach will be taken to Camelot Illinois' responsibilities as Private Manager and this RFP relates to provision of bank account verification services timed to support the launch of an updated website for iLottery (online play via www.illinoislottery.com and mobile applications). This is currently estimated to commence around December 2018.

The successful bidder for bank account verification services will be expected to remain engaged with Camelot Illinois during the development period and ensure that the service goes live with procedures and processes agreed and operational.

5 Response Approach and Format

Respondents are requested to provide:

- A completed version of the Company Information section, with brief responses;
- A completed version of the Requirements section with full responses against each requirement;
- A completed pricing schedule with any variation included at the end.

Where necessary, respondents may supplement responses with additional material, but should ensure that material is focused on the information requested and referenced to the section for which they apply. (Camelot Illinois may be unable to search through generic material to attempt to find relevant information).

If the respondent needs to exclude some requirements from their full service proposal, this should be accompanied by a clear statement of which items are excluded and why.

If the respondent feels that additional services, not mentioned in the requirements, should be provided in order to supply a full service solution, please provide a clear statement of which additional items are included and why.

6 Company Information

Please provide the following information about your company:

#	Information	Response
C-6-1	Company Name	
C-6-2	Brief Company Background, including details of Ownership	
C-6-3	Relevant Case Studies	
C-6-4	Current number of employees	
C-6-5	Staff Retention. Annual turnover rate for each of last 3 years	
C-6-6	Current number of part time employees	
C-6-7	Please summarize your experience relevant to the requirements	
C-6-8	Strengths and points of difference from your competitors	
C-6-9	<p>Please describe the resources which will be allocated to support Camelot Illinois, and your overall organizational structure.</p> <p>(If your organization is selected to make a presentation the people who would have day to day involvement should make up a significant part of the presentation team).</p>	

7 Requirements

Please provide responses on the following general requirements:

#	Requirement	Response
R-7-1	Where the company is located. Must be within the USA.	
R-7-2	Bank account verification method and a detailed explanation of how the service works	
R-7-3	The bank account verification service must, at minimum, verify that the bank account exists, and whether the account is open or closed.	
R-7-4	The user experience, including the information required from the user in order to complete verification.	
R-7-5	Indicate the % coverage across financial institutions	
R-7-6	Average response time, best and worst case response times. All response times should be less than one second.	
R-7-7	Provide performance metrics that indicate transaction speeds and volume capabilities (e.g. transactions per second, volumes permitted by month).	
R-7-8	Provide an explanation of the integration method(s), including supporting documentation and API documentation.	
R-7-9	Timeline for complete integration	
R-7-10	Describe the mechanisms in place to ensure availability of service at all times	
R-7-11	Testing environment for developers. Is a sandbox available?	
R-7-12	What security and fraud prevention measures are in place?	
R-7-13	Data protection rules & regs. Where data centers are, which state(s)?	
R-7-14	Describe the methods for verifying the source of data and the level of confidence in its accuracy.	
R-7-15	Ongoing support services, release and change management approach, including how many releases are typically performed each year and how the impact of changes are minimized for your current customers.	
R-7-16	Please describe your bank account authentication services, if available, that can confirm a person owns the bank account and is authorized to transact. Describe the service in detail and include user experience, integration methods, what data/information can be authenticated and any other relevant information.	
R-7-17	Describe any other technical features and/or constraints that are relevant to highlight.	

8 Price

8.1 Pricing assumptions

All prices should be quoted in USD.

Please base your pricing on the volume assumptions below. Please provide as much background as possible on the pricing, including any explicit assumptions related to these metrics, the requirements and any factors outside of this document.

It is anticipated that requirements may change to meet service needs over time, so any limits, constraints and areas where flexibility is included in the pricing schedule should be highlighted.

Volume Estimations

#	Metric	
P-8-1	# Bank accounts verified per month, estimated	Initial indicative volume of 1500 transactions per month expected, growing to over 5000 per month by end of 2020.

8.2 Pricing Schedule

Section	Area, including but not limited to these tasks.	Assumptions / basis of costings (Please indicate whether one-off or recurring for each price).	Price (USD)
P-8-2	Set-up price		
P-8-3	Price to verify an account. Include volume pricing thresholds.		
P-8-4	Price to authenticate a user. Include volume pricing thresholds.		
P-8-5	Additional Fees & Charges (Please specify)		

Appendix A - Draft/Example Private Manager Agreement Incorporated Terms

See separate pdf file available on the Illinois Lottery website, reference - Private Manager Agreement Incorporated Terms.pdf